Supreme Court, U. S.
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APPENDIX

Volume V, Pages 2402–2934

In the Supreme Court of the United States

OCTOBER TERM, 1977

No. 76-1560

UNITED STATES OF AMERICA, PETITIONER
v.
UNITED STATES GYPSUM COMPANY, ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

PETITION FOR CERTIORARI FILED MAY 9, 1977
CERTIORARI GRANTED OCTOBER 3, 1977

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DX (Brown) 50..... 3387
DX (Brown) 51..... 3389
DX (Brown) 55..... 3391
DX (Brown) 57..... 3392
Watt: DX (Watt) 1..... 3394
Defendants' joint exhibits:
DJX 1 3395
DJX 2 3401
DJX 12 3403
DJX 14 3405
DJX 16 3407
DJX 18 3409
DJX 20 3411
DJX 22 3413
DJX 24 3415
DJX 26 3417
DJX 28 3419
DJX 30 3421
DJX 32 3423
DJX 34..... 3425
DJX 36 3427

Defendants' exhibits—Continued
Defendants' joint exhibits—Continued Page
DJX 38 3429
DJX 40 3431
DJX 42 3433
DJX 43 3435
DJX 45 3443
DJX 47 3445
DJX 49 3447
DJX 51 3449
DJX 53 3451
DJX 55 3453
DJX 57 3455
DJX 59 3457
DJX 61 3459
DJX 63 3461
DJX 65 4363
DJX 67 3465
DJX 69 3467
DJX 71 3469
DJX 73 3471
DJX 75 3473
DJX 77 3475
DJX 79 3477
Supreme Court's Order of October 3, 1977, granting the petition for a writ of certiorari 3479

[redacted]
GX-371

REPORT OF COMPETITION GX 371 GENERAL SALES

8-31-65 Sales Office: Western Competitor No. 89-1-630

Contractor: J. W. Berry Drywall

Seattle County: King State: Washington

Type of Business Conducted by Contractor: ☐ Lumber Dealer ☐ Building Materials ☒ Other (specify): Drywall contractor

Blue Diamond 70% — Kaiser 30%

Competition: ☐ Direct Handling of Gypsum Wallboard ☐ Indirect Gypsum Wallboard Sales

Competitor's Name & Location: Blue Diamond Gypsum, Seattle, Washington

Purchase of Competition: ☐ Merger Inc. _____ ☐ Bulk Purchase ☒ Retail Operation Date: 8-23-65

Location Visited by: Don Hansen, Manager To: James Berry, Owner

Brand or Style (Quality, Kind, Etc.)	Competitor's Prices	Retail Prices
	f.o.b. _____	f.o.b. _____
All Gypsum Wallboard Products	$2.00 per M allowance	no allowance

Signature: [illegible] Date: 8-31-65

SALES OFFICE

Sales Office Approval: ☒ Approved 9-1-65 to 12-1-65

That we allow $2.00 per M on Eastwall wallboard Products used by this applicator.

☐ Subject to Change ☐ Subject to Change Without Notice ☒ Sales Office Salary Cashier's Check 8-31-65

GENERAL OFFICE APPROVAL

[signature] Date 9/3/65 J. P. Sales [illegible]

GENERAL OFFICE REJECTION

[signature]

$2.00(G)
Tax 1619

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[redacted]
GX-371

10/13/65 S.O. File 1202 $92.16
12/16/65 " " 1381 460.80

[redacted]
GX-371

10/2

KAM:

Confirming our phone to-day:
Bob G. would like your reaction
to ways and means of eliminating
applicator allowances in the Portland
(Ore.) Market..... where USG, Big Horn,
Blue Diamond and ourselves have them.
Our records show only two in Portland:

Kemp & Throndson	$2.00
St. John Drywall	2.00

I do not favor the "drop price and
get out" policy.

J. Hague 10/6/65 — Called Jim H. KAM 10/5/65
Due today w/ Jim on
Feds (affidavits) that Tim
is with them effective 10/5/65

Fay

Doc. ex. 14-0 131

[redacted]
GX-371

10/19

J. Hague - called:
Seattle, Wash 39-1-430
Jim Berry Drywall -
Buys from Colonial Supply Co,
90 90 Kaiser etc.
Changed to 13/W 100 90

Evergreen Drywall -
from Palmer Lewis.

KAM - Called Jim Hague.
He wants you to call
him on 10/21/65.

Doc. ex. 14-0 131R

[redacted]
GX-371

Paoli Billing 11/2/65 General Sales

Mr. K. A. Ashbrook

J. W. HENRY DRYWALL
Seattle, Washington

R. Sikes - def

Re: Commitment #89-1-630

cc: Mr. C. L. Childs - Western Sales

We are cancelling the above Gypsum Commitment for the Western Sales Region effective 11/1/65.

Please mark your records accordingly.

DOC NO 14-0 132

[redacted]
GX-371

Def.

Cancel as
of 11/1

DOC NO. 14-0-132A

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GX-407

O'Brien's 2 earlier drafts of summary GX 407

ADMINISTRATION OF PRICE AND POLICY PERTINENT TO
GYPSUM WALLBOARD AND RELATED PRODUCTS

CONFIDENTIAL PURSUANT
TO COURT ORDER

This report:

1. Assumes there is uniform understanding of:

   A. This general subject and the "objective" to which it relates.

   B. The background data upon which "Management" based its mid-May, 1965 approval of the "plan" which was devised to permit achievement of the objective.

   (Detailed information relative to A&B above is available in these references:

   (1) The Exhibits employed by Mr. Watt in his late April, 1965 presentation of this subject to Management.

   ✓(2) O'Brien's May 18, 1965 "recommendation" to Mr. R. C. Gimlin.

   ✓(3) O'Brien's September 13, 1965 memorandum to "Sales Management" which outline the first major modification of the May 19, 1965 delegation of authority to Field Managers.)

2. Attempts to outline:

   A. The degree to which implementation of the "plan" has permitted achievement against the "objective" since the initial implementation of the plan in June, 1965.

   B. The apparent pros and cons of continued operation within the scope of the present plan.

   C. The factors which will influence a needed decision to:

      1. Direct continued exertion of maximum effort within the scope of the present "plan" toward achievement of the initially stated objective, or

      2. Modify the plan and/or the objective, or

      3. Completely change the plan and/or the objective and the direction towards which "Sales" should exert its maximum effort in the foreseeable future, i.e., maintenance of price and profit levels at possible expense of Industry Position vs. protection of Industry Position at all cost.

FACT

1. "Zone pricing" and related procedures primarily relative to

U S G / 2 20361 CONFIDENTIAL COST AND PROFIT USG 2418

GX-407

plain gypsum wallboard products were initially implemented on a nationwide basis in early June, 1965. These things, while initially and primarily applicable to plain gypsum wallboard products only, were naturally and rapidly extended to cover practically all board machine products, i.e., Gypsum Lath - Specialty Boards - Gypsum Sheathing, etc.

2. This report and the background references cited in it use gypsum wallboard products as the criteria for judgement, but the results achieved on the related products are generally parallel. Hence, any decision to continue or modify our present objective or plan should consider and be equally applicable to all gypsum board products now on the "zone price" basis.

3. Comparison of result during June through September, 1965 period, in which the "plan" was in force, with similar periods of 1964 indicates: (See Exhibit 1)

   A. The plan appears to have achieved a degree of success in these respects:

      (1) USG's overall unit sales volume has in 1965 been maintained at a level comparable to similar periods in 1964. This despite the increasingly aggressive price attack of competition upon our establishment and price structure in a market with total sales opportunity relatively comparable in both years.

      (2) USG has had no seriously significant overall industry position loss during the period in which the plan has been operative.

      (3) Some degree of price structure stability has been maintained in a large area of the country. This most notably evident in the overall Eastern and Central Sales Region areas.

      (4) The overall "cost" to achieve the result cited in 1, 2 and 3 above has not been significantly different than that projected or estimated at the time the "plan" was adopted.

      (5) The plan has achieved the least noticeable success insofar as achievement of relative price stability is concerned in the areas comparable to the Regional Sales areas - Mid-Continent, Southern and the Montana, Wyoming and Utah areas of the Western Sales Region.

      (6) The risk of price discrimination has been decreased in one respect in that the proportion of single outlet customers sold at a discount vs. no discount has been narrowed. Conversely, the overall risk has not been

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appreciably lessened as there has been an increasing trend toward the competitive extension of "corporate" discounts to those customers having multi-location outlets.

OBSERVATIONS

1. The degree to which the overall price structure stability has been achieved varies with the identity and aggressiveness of the competitors operating in a given area.

2. The least degree of price stability and the greatest degree of deterioration in price structure is apparent in the areas where the "one plant" producers "make the rate", e.g., Mid-Continent Region - Southern Region and the Montana-Utah portions of the Western Region.

3. While pressure upon our price levels and the resulting deterioration of price structure is most severe in those areas where one plant producers are most active, it is not only the one plant producers who exert these pressures and cause this result. Broad area or market price deterioration is the combined result of the introduction of a new and lower price by a one plant producer into one account or market area and the apparent rush of "major competition" to meet this action and in some cases go beyond it and spread the low competitive price over a broad area to protect their establishment, and limit the risk of significant price discrimination in the total marketing area in which the initial defection occurred.

4. The total adverse price and profit effect of the one plant producers activity is disproportionately greater than their ability to serve the total market need. It has been estimated that the "one plant" producers have less than 10% of the total industry production capacity. However, their price cutting activity adversely effects the price and profit results of the total industry and the market in which all compete.

5. Since the "plan" has now been operative for approximately 4 months and the performance record to permit a comparison of result in this period vs. the past ones is now available it is appropriate that these results be reviewed. Review of these results and the projections that can be logically made from them will permit a conclusion as to the action that is now required to protect the best interests of the Company for the foreseeable future.

6. The following comment relative to the data shown on the attached exhibits may serve to support the "facts" and "observations" contained in this resume' and simplify the final decision as to the action which is now required.

Attachments:
1. Exhibit 1
2. Comments on Exhibit 1

CONFIDENTIAL PURSUANT
TO COURT ORDER
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EXHIBIT I

CONDITIONS - APRIL, 1965 VS. OCTOBER, 1965

April, 1965

In early April at the time the "Gypsum Board product pricing problem" was under study, our products were in most sections of the country marketed on an FOB plant plus equalized freight basis. "Asking" and actual selling prices varied from destination to destination within relatively small geographic areas by reason of var freight charges to one destination as opposed to another. There was no practical way to procure the information that was then needed on an area to area basis from any official and overall Company accounting report, since these reports dealt with totals and not geographic areas as such. Hence, that data which was developed at that time was calculated or estimated on average figures taken from the Dealer Sales Performance Analyses. This permitted an estimate of conditions on a Sales Division area basis or breakdown. The information developed and the estimates made at that time were sufficient for our purpose at that time and the estimates are, all things considered, remarkably close to the now apparent official overall records available to us for 1965.

Further, in the early 1965 studies on which the early 1965 presentation of this problem was based:

1. Many of the comparisons were made against the fourth quarter, 1962 vs. estimated result for first quarter, 1965 and in some cases against March, 1965 as such.

2. 1/2" SHEETROCK Wallboard was used as the basis for comparison of result in the two periods, i.e., 1962 vs. 1965, since this product which then represents 60 plus % of our net sales dollars and footage was and perhaps still is a criteria by which the total wallboard result could be compared and/or projected.

October, 1965

1. The actual figures for at least the first 8 months of 1965 are a matter of record. Total or Accounting Report #2 figures for 8 months are available to us on both the 1/2" and the total wallboard basis. Preliminary figures for the 9th month can be and are used for this month.

2. Our Gypsum Wallboard and related products are now sold on a marketing zone or delivered price basis; hence, result by geographic area can be more easily estimated than it could under the conditions prevailing in April.

3. A comparison of result for 1965 vs. like periods of 1964 is now possible.

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TO COURT ORDER
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4. A more logical estimate of result for the foreseeable future can be made if the 1964 - 1965 period is used rather than the 1962 vs. 1965 used in the original presentation.

The attached schedules show:

A. The actual or estimated results for the period subsequent to April, 1965 vs. like periods of 1964.

B. Projections of likely 1966 results under varying conditions.

Comment pertinent to a comparison of result and outlook in October, 1965 vs. April, 1965 accompanies the attached schedule.

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TO COURT ORDER

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GYPSUM BOARD PRODUCTS

PRICING PROBLEM - OCTOBER, 1965

1. Plant Net: During the period June 1 through September 30, 1965, Plant net on total board dropped an approximate $3.22 per MSF. By Region, the decline varied from $1.72 to $5.34 per MSF.

2. We attempted to secure a $9.00 per MSF increase on 1/2" Board as of February 15, 1965. This was not realized. As of September 1, 1965, the price of PINECORE Board was increased by $4.00 per MSF. It is too early to determine what, if any, favorable effect this will have on future result.

3. Industry Position has varied slightly by month during the months March through September. March was 37.6 - June 36.9 - August 36.9. Degree of change by Region or Division is at this time not certain.

4. The discount situation as of October 1 is reflected in 5 below.

5. 402 dealers who are known to have a discount from USG as of 9-30:

A.	6,125	(62%)	from 1 to 5%
B.	300	(3%)	from 1 to 10%
C.	3,400	(35%)	from 11 to 20%

Notes:

A. The number of dealers to whom a discount of from 1 to 5% is available more nearly approaches 1000 than the 62% shown above, since a discount of this degree is likely to be available from one supplier or another and any sale made by us will likely be discounted when payment is made to us.

B. The number of dealers with a discount of from 6 to 10% approximates 100. However, since many of the dealers in this category have multiple outlets, the total outlets to whom the 6 to 10% discount is available may approach 300.

C. The greatest increase in category of dealer with discount occurs at this level. In March, we had "corporates" with approximately six multiple yard operations. The average number of outlets per chain must then have approximated 170. Today, we have 22 corporate. Assuming the number of outlets per "corporate" is about the same, the number of outlets to whom a discount of greater than 10% is available should approximate 3400.

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TO COURT ORDER

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6. PLANT NET TREND — INDUSTRY POSITION TREND

	1/2 MSF IN $	DROP IN $	TOTAL ED.MSF IN $	DROP IN $
12 Mos. 1964 (Actual)	40.66		41.19	
March, 1965	39.03	(2.57)	40.22	(1.97)
May, 1965	38.69	(.34)	39.37	(.85)
June, 1965	37.46	(1.23)	37.97	(1.40)
*Sept., 1965	34.94	(2.52)	36.15	(1.82)
*Dec., 1965	33.23	(1.71)	33.50	(2.65)
*12 Mos., 1965 vs. 1964	37.00	(3.66)	37.50	(3.69)

1962	39.7%
1963	38.9%
1964	37.8%
March, 1965	37.6%
May, 1965	37.1%
June, 1965	36.9%
August, 1965	36.9%
December, 1965	36.5%(Est.

7. One percentage point of Industry Position on 1964 volume at the projected December, 1965 level of $33.50 per MSF is worth $1,175M gross profit.

8. One dollar of price is worth $2,800M gross profit on 1964 volume regardless of the net sales level at which this volume is attained.

9. Zone pricing and the competitive extension of discounts to practically all Board Machine Products has been a reality since approximately June, 1965

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CONCLUSIONS

1. Operation under our present "plan":

   A. Has prevented serious deterioration of Industry Position and permitted achievement of unit sales volume comparable to previous year.

2. The decline in realized price, 1965 vs. 1964 that has occurred by reason of competitive pressure is not greatly different from that estimated at the time the "plan" was adopted. Neither is it much greater than that which could have been anticipated if we had continued on our previous "plan" and lost Industry Position in the process. (Gross profit results 1964 vs. 1965 and other pertinent periods is shown on the attached Exhibit)

3. Continuation of our present plan will:

   A. Involve increasing exposure to discrimination risk.

   B. Protect Industry Position and

   C. Likely result in erosion of realized price and gross profit in 1966 to about the same degree as occurred in 1965. (See attached Exhibit for projected net sales and gross profit if "plan" is continued and price erosion similar to that of 1965 is experienced)

4. Some degree of price stability has been achieved in some sections of the country. Previous attempts to increase price and improve profits have not been successful. With prices at their present low level, there may be an improved chance of successful stabilization of our prices at some level above those estimated for December, 1965.

5. The degree of stability, price structure and the intensity of competitive attack upon our establishment varies from one geographical area of the country to another.

6. Any attempt to stabilize price structure or improve realized price levels should consider the competitive conditions and the price structures presently prevailing in the specific area or areas under consideration for price change.

CONFIDENTIAL PURSUANT TO COURT ORDER

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OBJECTIVE:

Unchanged from April, i.e., maximize profit dollars and protect Company earnings by a pricing method.

ALTERNATIVES:

1. Maintain present price levels, but eliminate all discounts.
2. Reduce present Zone price levels by 5% and eliminate some discounts.
3. Establish as the Zone price the lowest known price existing in that Zone - excluding Corporate or Contractor discounts from this consideration.
4. Establish the lowest known price in the Zone as the Zone price - include Corporate and Contractor discounts in this consideration.
5. Level prices at something above the present Zone level and eliminate all discounts.

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TO COST CODE

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COST AND PROFIT

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PROPOSAL

1. Announce new Zone prices to become effective January 1, 1966.
2. The new prices to be firm prices and subject to no discounts.
3. Withdraw all discounts to include "corporates" and/or "appliator" coincident with the effective date of the new Zone prices.
4. Establish new "Zone price" levels by:
   A. Significantly increasing the Zone price in those areas where the greatest erosion in realized price has occurred e.g., Texas - Oklahoma - Arkansas - Mississippi - Alabama-Kansas and Missouri.
   B. Lowering prices by some degree in those areas where extreme variance exists between the price levels in contiguous areas.
   C. Exercising judgement in the determination of the new Zone prices, insure that the new and firm price level is not above the "Bulletin" level which prevailed in this same Zone within the last 12 months. (Possible exception - Texas)

RESULT

1. If by the withdrawal of discounts and adjustment of Zone price levels we can in 1966 achieve a realized price level similar to that for 12 months, 1965, our gross profit on a volume comparable to 1964 will approximate that of 1965, i.e., $52,719M vs. the $63,768M gross profit achieved on similar volume in 1964.
2. If by withdrawal of discounts and maintenance of the new price levels we can for the year 1966 attain the same realized price as that anticipated for December, 1965, our gross profit in 1966 will approximate $44,500M. (approximately $8,000M below that achieved in 1965)
3. If we cannot establish stable prices and continue to extend discounts and/or lower our published prices as we did in 1965, then the deterioration of price levels in 1966 will approximate those occurring in 1965. On a volume comparable to 1964 and with a realized price of approximately $30.00 for the year, our gross profit for 1966 will approximate $34,696M. This approximately $18,000M below that anticipated for 1965 and $29,000M less than achieved in 1964.

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GX-411

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October 26, 1965

To: Messrs. G. J. Morgan
C. H. Shaver
A. J. Watt
C. M. Price
E. W. Duffy
E. L. Busch

Re: Gypsum Board Prices

Attached is a redraft of the summary prepared and read at our last meeting on Gypsum Board prices. Changes were made in the background and current situation sections.

As arranged by phone, our next meeting is tomorrow, Wednesday, October 27th, at 2 P.M. in Mr. Morgan's office.

R. C. Gimlin

RCG:rm
Attachment

USG 2435

(retyped facsimile)

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GX-411

October 25, 1965

REVIEW OF PRICE STRATEGY

BACKGROUND

In early 1965, it became increasingly evident that continued operation under our then existing policy of reaction to competitive attack on only a specific account basis would:

1. Contribute to continued erosion of our industry position from its 1964 level of 37.8% to an estimated 36.5% in December, 1965.

   1.3% Industry Position loss equates to an annualized loss of 94,900 MSF in volume at 1964 Industry levels. At the $41.19 realized price for total wallboard and resulting $22.80 gross profit per MSF achieved in 1964, the indicated loss of Industry Position and related volume would adversely effect USG gross profits by approximately $2,164M.

2. Result in erosion of realized prices on gypsum wallboard from the 12 months, 1964 level of $41.19 per MSF to approximately $37.40 for 12 months, 1965.

   The $3.79 per MSF decline in realized price on estimated 1965 footage of 2,797MSF (comparable to 1964) would adversely effect realized price and gross profit for 1965 vs. 1964 by approximately $10,640M. The combined price and industry position loss would therefore adversely effect gross profit 12 months 1965 vs. 1964 by approximately $12,800M.

3. Make no contribution toward the stabilization of price structure and therefore provide no firm price base on which we could in years subsequent to 1965 improve our realized price and profit results.

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4. Create increased likelihood of significant price discrimination within specific markets.

5. Result in damage to the Company's reputation for leadership, impair its prestige and undermine customer confidence.

6. Increase the already heavy administrative workload pertinent to the conduct of our business in the continuingly chaotic market.

Accordingly, the following objective was developed in late April, "MAXIMIZE PROFIT DOLLARS AND PROTECT COMPANY EARNINGS BY DEVELOPMENT OF IMPROVED PRICING METHODS."

This objective was implemented by new price strategy in June.

CURRENT SITUATION

The present price strategy and plan, developed in May and implemented in June, had sub-objectives in the following areas.

1. MAINTAIN, AND WHERE POSSIBLE, IMPROVE WALLBOARD VOLUME AND INDUSTRY POSITION

Result:	Industry Position		Volume	
12 Months, 1964	37.8	9 Mos. 1964	2,140,006	
April	" 36.3	9 Mos. 1965	2,098,870	- 1.92%
June	" 37.8	3rd Qtr. 1964	759,234	
August	" 37.8	3rd Qtr. 1965	783,428	+ 3.18%

The above results achieved despite the increasingly aggressive price attack on our establishment and price structure in a 1965 market with comparable opportunity to 1964.

"Per Accounting Report #507 dated Oct 12, 1965

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GX-411

2. MINIMIZE EROSION OF REALIZED PRICES AND PROFITS TO MAXIMUM PRACTICAL DEGREE CONSISTENT WITH ACHIEVEMENT OF THE OVERALL OBJECTIVE

Result: It is presently estimated that our 12 months, 1965 realized price for all board will approximate $37.49. Hence, our loss in gross profit 1965 vs. 1964 will approx. ~~$11,000M vs. $10,000M~~ was in early 1965 projected as the likely cost of combined price and industry position erosion incident to continued operation under our previous plan and procedure.

3. ACHIEVE AN IMPROVED DEGREE OF MARKET PRICE STABILITY

Result: A fair degree of stability has been achieved in the Northeastern, Central and parts of the Western Region. Little improvement has been achieved in the Southeastern, Mid-Continent and Eastern part of the Western Region.

The premise that we could, by dropping zone prices, remove the competitors need or excuse to extend discounts beyond 5% and thus encourage stabilization of price structure at some level, has proven to be an incorrect assumption. Our competitors need and/or aggressive quest for volume and their lack of favorable response to our efforts, particularly on the part of a few producers, has resulted in little stabilization of price structure or let-up in price deterioration in those areas where these competitors are most active. Instability and deterioration in some areas has put pressure on other areas, causing deterioration in what otherwise might have been stable zones.

Whereas we had hoped that the market might stabilize at projected December 1965 results and make possible implementation of a new

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strategy in 1966, it now appears that the projected December, 1965 level may not represent the level at which stability might occur; hence, deterioration of price levels will continue through 1966 at only a slightly modified pace unless a dramatic change in our present strategy is soon made.

Without improved stabilization and effective implementation of an effort to increase nets, the level projected for December, 1965 ($33.50) will not hold as the cum. level for 1966. Even if we were successful in holding the December level, the projection for 1966 at this level is extremely unfavorable. With a cum. 12 months, 1966 realized price of $33.50 vs. presently projected 1965 plant net of $37.49 and roughly comparable volume in 1966, we face a built-in gross profit decrease 1966 vs. 1965 of approximately $11,000M.

Any upward price move based upon the present confused pricing structure and involving the extension of discounts, concessions and/or allowances cannot succeed. "Major surgery" seems the only course to provide the healthy condition on which to build for the future.

4. DECREASE OUR EXPOSURE TO RISK AND POTENTIAL LOSS FROM SIGNIFICANT PRICE DISCRIMINATION

Result: The risk of price discrimination has been decreased in one respect in that the proportion of single outlet customers sold by USG at a discount vs. no discount has been narrowed. Conversely, the overall potential risk has not been appreciably lessened, as there has been an increasing trend toward the competitive extension

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of corporate discounts to those customers having multi-location outlets.

Number of Outlets with Exceptions	March 31, 1965	September 30, 1965
1 to 5	5503	6125
6 to 10	2452	300
11 to 20+	1024	3400
	8978	9825

In March, 8,978 or 38% of the estimated 23,000 total wallboard distribution outlets in the country were buying at a discount from USG. As of September 30, 9,825 or approximately 42% were buying from USG on a discount basis. In all probability, most of the outlets to whom a discount is not recorded as being available from USG either have or can secure some degree of discount from the competitive suppliers from whom they purchase.

5. RESTORE COMPANY LEADERSHIP, PRESTIGE, AND CUSTOMER CONFIDENCE

Result: Initial result and reaction was very favorable; however, with successive drops in zone prices and continuing concessions on the part of competitors, we were gradually alienating the big volume accounts by nullifying their "special deals". We altered our strategy in September to meet defections beyond 5% without zone changes and this progressively returns us to the same position as prior to June 1st.

6. LESSEN ADMINISTRATIVE AND PAPER WORKLOAD PROBLEMS

Results: At the outset of the plan there was some improvement, but number and frequency of zone changes, without any appreciable lessening of competitive defections, has resulted in virtually no improvement and a continuing horrendous task of paper work and management involvement in price and policy activities.

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GX-411

It was contemplated that our present strategy and plan would require review and modification at this time, and it is even more critical in light of above, particularly points No. 2 and 3. Our basic alternatives are:

1. Maintain present price levels, but eliminate all or some discounts.
2. Reduce present Zone price levels by 5% and eliminate all or some discounts.
3. Establish as the Zone price the lowest known price existing in that Zone - excluding corporate or contractor discounts - and eliminate all discounts or all but corporate and contractor discounts.
4. Establish as the Zone price the lowest known price existing in that Zone - including corporate and contractor discounts - and eliminate all discounts.
5. Establish prices at something above the present Zone levels, retain discounts, or eliminate some or all discounts.
6. Establish fewer zones, establish lower level prices to reflect zone elimination and discounts - then withdraw all discounts. This would be a costly step and should be considered only if the industry does not respond to other constructive leadership.

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PROPOSAL

The following is recommended:

1. Accept the principle that we will not meet the price competition of single plant producers; namely:

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Dierks American · Temple Republic · Grand Rapids Gypsum Ruberoid

2. Revise present policy of extending discounts and concessions to meet competition and establish a policy of selling only at published zone prices - no defections of any type.
3. Withdraw all discounts and defections effective January 1, 1966.
4. Establish our selling prices at presently published zone levels except for increases involving the states of Texas, Oklahoma, New Mexico, Colorado, Wyoming, Montana, Arkansas and Louisiana wherein deterioration has been so severe as to necessitate restoration to a more normal level.
5. There will be no delegation of authority to make pricing decision; rather, administration of price will be concentrated in one person.

HOW IT WORKS

Our new policy will be announced November 11th to the Wall Street Journal and letters to the trade will be mailed on that date. (See Exhibit I and II)

No price protection will be given to dealers and, generally, a "no protection" policy will be adopted. However, to avoid hardships and deep seated ill will from customers who face significant losses on firm price and wherein the Company has some legal and/or moral involvement, protection on jobs will be judiciously considered and granted. A list of the commitments to include price and estimated quantity will be compiled and made available to competitors in Chicago by December 15.

[illegible]

It is most difficult to estimate results due to competitive reaction and strategy.

CONFIDENTIAL
COST AND PROFIT
[illegible] USG 2442

GX-411

CONFIDENTIAL PURSUANT TO COURT ORDER

A return to published zoneprices, with the elimination of all discounts and restoration in some depressed zone levels, projects to an estimated mill net on all board of $37.20/MSF and the following estimated comparison of gross profits based on 1964 volume:

$37.20 est. 1966 cum. vs. $37.49 est. 1965 cum = $811,014 loss in G.P. 1966 vs. 1965.

$37.20 est. 1966 cum. vs. $33.50 est. Dec. '65 level = $10,630,000 G.P. gain in 1966 over a "do nothing" policy and assuming that Dec. '65 levels are maintained throughout 1966.

A very adverse reaction is anticipated from large volume customers with substantial initial loss in business. We estimate an industry position in the first months in the neighborhood of 30% or a loss of 7.5 points. We would not anticipate that this low on industry position would continue indefinitely nor for an entire year. But - Each point in industry position at a plant net of $33.50 is worth approximately $1,175,000 G.P. on annual basis. A 7.5 drop in industry position on an annual basis equates to an annual G.P. loss of $8,802,500 versus the estimated annual G.P. gain in price improvement of $10,630,000.

There is an inherent risk that we could lose both position and price improvement; however, the long term prospects of a "do nothing" policy must eventually lead to profit declines from price erosion alone that will equal the combined effect of the aforementioned loss; and unfortunately, without changing the need to some day take a strong stand for improvement. It appears better to go through this experience

GX-411

at the current higher industry position and price levels than those that probably will exist a year or two hence.

The discrimination problem would be cured.

Industry leadership would be established.

Administrative problems would be minimized with significant increase in sales and management time available for constructive marketing activities.

NEXT STEP

Approval of plan and preparation begun for smooth implementation.

CONFIDENTIAL PURSUANT TO COURT ORDER

[redacted]
GX-487

Government Exhibit 487

RETYPED FOR LEGIBILITY

MINUTES OF MEETING OF THE EXECUTIVE COMMITTEE
OF UNITED STATES GYPSUM COMPANY
HELD AT THE OFFICE OF THE COMPANY,
101 SOUTH WAGNER DRIVE, CHICAGO, ILLINOIS
ON FRIDAY, NOVEMBER 5, 1965 AT 10:00 O'CLOCK A.M.

* * * * *

The meeting was called to order by C. H. Shaver, Chairman, and Charles M. Price acted as Secretary.

A roll call showed the following members present:

C. H. Shaver
Charles M. Hines
Joseph B. Lanterman
W. B. McMillan
Graham J. Morgan
Charles M. Price - ex officio

being all of the members of the Committee.

The Chairman announced that the minutes of the meeting held July 12, 1965 would not be read since they were reported to and approved by the Board of Directors on August 11, 1965.

President Graham J. Morgan reported on the negotiations for the sale of the onyx and marble properties in Mexico. He also reported that two patent infringement suits against National Gypsum Company involving the Camp and von Hazmburg patents were to be settled by agreement by National Gypsum Company paying the Company approximately $128,000 for infringement of the Camp patent and the suit involving infringement of the von Hazmburg patent would be dismissed.

[redacted]
GX-487

The President reported that Dr. J. William Iabor, now Vice President and head of the Research Department of Wyandette Chemicals Company, had agreed to come with the Company as Vice President in charge of Research at a salary of $50,000 per year.

On motion duly seconded and unanimously carried, Dr. J. William Iabor was elected Vice President, Research and Product Development, at a salary of $4,166.66 per month, to become effective when Dr. Iabor starts employment with United States Gypsum Company.

The President then said that the principal purpose of the meeting was to discuss with the Executive Committee a very serious pricing situation in the gypsum industry which has resulted in a continuing decline of profit margains on gypsum products in 1965 and which, if continued, would result in even lower margins of profit in 1966. He said that many competitors are granting discounts in varied amounts and percentages to different customers and users. In attempting to protect the Company's market position by meeting such competitive offers it has become practically impossible to obtain in the field accurate information with regard to prices and policies of competitors, with the result that all manufacturers are frequently misled by misrepresentations of customers and users with respect to the prices and policies

GX-487

of the different companies. He said that this practice is grossly unfair to the Company's customers who are finding it most difficult to conduct an orderly and profitable business.

The President then called upon Mr. Andrew J. Watt, Vice President, Marketing, and Mr. Robert C. Gimlin, Vice President, Merchandising, to present a review of the problem and recommended solution. These gentlemen then presented a plan, essentially as follows:

(1) That the Company adopt and announce a policy that it would sell only at currently published zone prices (except that zone prices in a few zones would be raised because the published prices have fallen to a level that does not reflect a fair margin of profit) and would not grant any discounts, either directly to customers or indirectly to users;

(2) That the Company would not meet lower prices of single-plant manufacturers who account for a small portion of the industry sales;

(3) That to be competitive the Company has made business commitments with respect to specific jobs, specific quantities of prodicts or a specific period of time, at prices lower than published prices, and that these business commitments, whether or not legally enforceable, must in good conscience be honored; and

GX-487

(4) That to avoid misunderstanding on the part of competitors of this Company's prices and policies, the Company would send every competitor a copy of the Company's policies as stated to its sales organization and a list of those business commitments would be deposited with its accountants so that any competitor wanting to know whether this Company had a commitment with respect to a particular customer or user might inquire and, beyond that, be furnished with such additional pertinent information which would enable the competitor to make a decision with respect to its own course of action based upon facts rather than rumor and misrepresentation.

The Executive Committee then reviewed copies of the proposed announcement to customers, the letter to competitors with regard to honoring previous commitments and the statement of policy to be sent to the sales organization. In answer to inquiries from several members of the Committee, it was stated that this pricing policy might, or might not, be followed by competitors, and if followed, would probably be subject to variations announced by one or more competitors but that it was believed that the principal competitors in the industry were also experiencing continually lower margins of profit and would welcome an opportunity to receive better and fairer margins of profit.

GX-487

After long discussion, and upon motion duly seconded and unanimously carried, it was

RESOLVED that the officers of the Company are authorized and directed to announce a policy of selling only at published prices, eliminating all discounts except for business commitments already made which the officers feel must, in good faith, be honored; and that the prices charged by one-plant producers should be ignored in carrying out this policy.

There being no further business, the meeting was adjourned.

Acting Secretary

Approved by the Board of Directors:

GX-487

MINUTES OF MEETING OF THE EXECUTIVE COMMITTEE OF UNITED STATES GYPSUM COMPANY HELD AT THE OFFICE OF THE COMPANY, 101 SOUTH WACKER DRIVE, CHICAGO, ILLINOIS, ON FRIDAY, NOVEMBER 5, 1965 AT 10:00 O'CLOCK A.M.

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250-316 3844

BEST COPY AVAILABLE

GX-487

The President reported that Dr. F. William Zaber, new Vice President and head of the Research Department of Wyandotte Chemicals Company, had agreed to come with the Company as Vice President in Charge of Research at a salary of $50,000 per year.

On motion duly seconded and unanimously carried, Dr. F. William Zaber was elected Vice President, Research and Product Development, at a salary of $4,166.65 per month, to become effective when Dr. Zaber starts employment with United States Gypsum Company.

The President then said that the principal purpose of the meeting was to discuss with the Executive Committee a very serious pricing situation in the gypsum industry which has resulted in a continuing decline of profit margins on gypsum products in 1965 and which, if continued, would result in even lower margins of profit in 1966. He said that many competitors are granting discounts in varied amounts and percentages to different customers and users. In attempting to protect the Company's market position by meeting such competitive offers it has become practically impossible to obtain in the field accurate information with regard to prices and policies of competitors, with the result that all manufacturers are frequently misled by misrepresentations of customers and users with respect to the prices and policies

BEST COPY AVAILABLE

GX-487

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(2) That the Company would not meet lower prices of single-plant manufacturers who account for a small portion of the industry sales;

(3) That to be competitive the Company has made business commitments with respect to specific jobs, specific quantities of products or a specific period of time, at prices lower than published prices, and that these business commitments, whether or not legally enforceable, must in good conscience be honored; and

[redacted]
67-487

(4) That to avoid misunderstanding on the part of competitors of this Company's prices and policies, the Company would send every competitor a copy of the company's policies as stated to its sales organization and a list of those business commitments would be deposited with its accountants so that any competitor wanting to know whether this Company had a commitment with respect to a particular customer or user might inquire and, beyond that, be furnished with such additional pertinent information which would enable the competitor to make a decision with respect to its own course of action based upon facts rather than rumor and misrepresentation.

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[redacted]
67-487

After long discussion, and upon motion duly seconded and unanimously carried, it was

RESOLVED that the officers of the Company are authorized and directed to announce a policy of selling only at published prices, eliminating all discounts except for business commitments already made which the officers feel must, in good faith, be honored; and that the prices charged by one-plane producers should be ignored in carrying out this policy.

There being no further business, the meeting was adjourned.

_____
Acting Secretary

Approved by the Board of Directors:

_____

[redacted]
GI-488

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF UNITED STATES GYPSUM COMPANY
HELD AT 925 NORTH SPAULDING, GREENVILLE, MISSISSIPPI,
ON WEDNESDAY, NOVEMBER 10, 1965, AT 9:30 O'CLOCK A.M.

o o o o o

The meeting was called to order by C. H. Shaver, Chairman of the Board, and F. L. Stellner acted as secretary.

A roll call showed the following members

Present: C. H. Shaver
Wesley M. Dixon
Charles M. Hines
Richard S. Jukes
Joseph B. Lanterman
W. B. McMillan
Graham J. Morgan
Robert H. Morse, Jr.
Charles M. Price
Edward Rembert
Solomon B. Smith
F. L. Stellner
A. J. Watt

constituting a quorum of the Board,

Absent: Champ Carry
David M. Kennedy
L. S. Wescoat

Upon motion duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED: That the minutes of the regular meeting of the Board of Directors held August 11, 1965, as submitted to all directors, are hereby approved.

Reports for the nine-month period ended September 30, 1965, submitted by F. L. Stellner, Treasurer; A. J. Watt, Vice-President-Marketing; and Edward Rembert, Vice-President-Operations, which had been sent to all directors, were discussed.

[redacted]
GI-488

Charles H. Price, for General Counsel, reviewed the Company's charter which was issued in 1920 under the 1919 Illinois Corporation Act, and which has not been amended except to increase capitalization and to issue stock options. He reviewed some of the advantages in reincorporating in Delaware, pointing out that if such a step were taken it might be advisable to retire the preferred stock by the issuance of debentures, referring to the fact that interest on debentures would be deductible for income tax purposes, whereas dividends on preferred stock are not deductible. He commented that there would be no adverse state tax consequences in a move to Delaware.

After discussion, it was the consensus of the meeting that plans to reincorporate in Delaware and retire the preferred stock of the Company should be prepared for consideration at the February, 1966 meeting of the Board of Directors so that action can be taken in time for submission to the shareholders at the May, 1966 meeting.

Mr. Price also stated that there was nothing of importance to report regarding the income tax cases; that the government lawyers were still taking depositions and that there could be no real developments until the taking of depositions is completed.

The minutes of the Executive Committee meeting held November 5, 1965, were read and, upon motion duly

USG/2 [redacted]

GX-488

seconded and unanimously carried, were accepted, and the action therein recorded was unanimously approved.

Graham J. Morgan, President, commented on the trend of Company earnings and indicated that the plan designed to improve prices of gypsum products, which was approved by the Executive Committee, if effective, should provide a base for better future earnings.

He reported that consideration was given to announcement of a program to improve the credit and accounts receivable situation, concurrent with the gypsum price move. This was deferred, however, as marketing managers were of the opinion that both programs would fail if initiated at the same time. In the event that the price move is successful, a program is planned to correct the credit situation as well.

Mr. Morgan reported that budgets and expenses are being carefully scrutinized for possible reductions and savings; however, steps are not being taken at this time to curtail essential marketing and research activities.

He also reported that five administrative work centers are being established to handle field administrative and clerical work and that order handling and customer billing are to be automated. Substantial savings should result from these moves.

He further referred to the employment of Dr. William Faber as Vice-President in charge of the Company's research

GX-488

and development activities. Dr. Faber comes to the Company with a wide and successful experience with the well-known corporations.

Mr. Bartling, Vice-President, who formerly directed Research and Product Development is being assigned to other responsibilities.

Mr. Morgan stated that the Warren Paint & Color Co., Nashville, Tennessee, acquisition, approved at the August meeting of the Board, was completed on September 17, 1963, and that the plant has been integrated into our operations as planned.

Mr. Morgan advised that an out-of-court settlement has been reached on two of the three patent suits filed against the National Gypsum Company. The settlement agreement resulted in the Company dropping the von Hamburg suit and National Gypsum Company paying the full amount of royalty that they would have paid had a license been taken under the Case patent. This settlement amounts to approximately $128,000. The remaining suit covers the spark perforated tape patent which was found to be valid but which the court ruled was not being infringed by National Gypsum. This case has been appealed and briefs are being filed.

Upon motion duly seconded and unanimously carried, the following resolution was adopted:

— BE IT RESOLVED: That there be and hereby is declared a regular cash dividend of $1.75 per share on the preferred stock of the Company, payable on the 2nd day of January, 1964,

GI-610

GENERAL CORRESPONDENCE FILE COPY

OFFICE FROM

OFFICE

G/C

February 1, 1966

United States Gypsum Company
101 South Wacker Drive
Chicago, Illinois 60606

Attention: Mr. O. R. Evans

Gentlemen:

We are enclosing a list of telephone inquiries which we received through January 31, 1966, from companies with whom your company competes for gypsum business, together with our responses. These inquiries were directed to the writer in accordance with a letter from your company to competitors stating that they were at liberty to call us if they desired to confirm whether or not your company has a commitment with respect to any specific job or a commitment for a specific number of units or for a specific period of time. We have been furnished a register entitled "Gypsum Products Commitments" dated December 13, 1965, revised through December 31, 1965, together with a list of companies and their representatives from whom we should accept calls. 100126

All calls itemized on the enclosed list have previously been reported by telephone to Messrs. Gimlin, O'Brien, Evans, Weiser or their secretaries, in case they were not available at the time of our call. As arranged with Mr. Gimlin, we will notify you by letter of each call we receive subsequent to January 31, 1966, with copies to Messrs. Gimlin and Weiser. Any unusual matters will be called to your attention promptly after the call.

We are pleased to be of service to you in this matter. Please inform us if you wish us to alter our procedures in any way.

Very truly yours,

ARTHUR ANDERSEN & CO.

By Warren Cecil
Warren Cecil

EX
Copy to Mr. R. E. Gimlin

Copy to Mr. F. W. Weiser

000008
AA&CO

GI-610

AA&CO
000009

[redacted]
GX-610

UNITED STATES GYPSUM COMPANY

TELEPHONE INQUIRIES THROUGH JANUARY 31, 1966
RELATED TO GYPSUM PRODUCTS COMMITMENTS

FOOTNOTES

(a) Mr. Herbert Ball asked whether we had the list of commitments and was prepared to answer questions. We informed him that the list had not been furnished us at that time, but that we were working with the company and would be prepared to answer inquiries with respect to commitments.

(b) Mr. Reigns called to check a few jobs; however, the jobs were not specified at that time. We informed him that the list had not been furnished us, but that we would be happy to try and get the information to answer his inquiries. He decided to call back at a later date.

(c) At the time of our first conversation with Mr. Sikes related to the Portland Center job, we noted that a job entitled 'Portland Urban Development' was listed in the commitment register. Upon further review with Mr. O'Brien, it was determined that these were different jobs. We called Mr. Sikes to inform him of this. 100128

(d) Mr. George J. Buehler, assistant pricing administrator, representing Mr. Sikes at Bestwall Gypsum inquired about the Hilton Inn project in Dallas, Texas on December 23, 1965. We informed him that that job was not listed in the commitment register.

(e) Mr. Sikes inquired whether a project entitled 'Public Housing' in Shelby, North Carolina, through a dealer or applicator by the name of Lowes, was listed in the commitment register. We informed him that a project entitled 'Low Rent Housing, N.C. 34-1 and 34-2' was listed but that Lowes was not mentioned. We suggested that he call Mr. Evans for clarification since there was a possibility that the two job titles might be referring to the same job. We were later informed that Mr. Evans discussed the matter with Mr. Sikes.

[redacted]
GX-611

GENERAL CORRESPONDENCE FILE COPY

TO

OFFICE FROM CHICAGO OFFICE

FEBRUARY 17, 1966

G/C

MEMORANDUM FOR THE FILES

SUBJECT: U. S. GYPSUM COMPANY - COMMITMENT REGISTER

On Wednesday, February 16th, Mr. Robert Evans of U. S. Gypsum called to state that their attorneys had reviewed the letter report we submitted dated February 1, 1966. This letter concerned the calls we had received in regard to a commitment register furnished us by U. S. Gypsum Company. They decided that they would retain the letter as submitted but requested that we omit certain types of footnotes in reports which are to be issued at the end of each calendar month. They seemed to be concerned about a statement in one of our footnotes as follows: "We suggested that he call Mr. Evans for clarification since there was a possibility that the two job titles might be referring to the same job. We were later informed that Mr. Evans discussed the matter with Mr. Sikes." 100122

At the time of his call, I reported that we had received only one call since the February 1, 1966, letter. Mr. Sikes called on February 2, 1966, to inquire about a job in California. This had previously been reported to Mr. Evans by telephone.

WARREN CECIL

DS

[redacted] GX-612

GENERAL CORRESPONDENCE FILE COPY

OFFICE FROM OFFICE

C/C

March 1, [redacted]

United States Gypsum Company
101 South Wacker Drive
Chicago, Illinois 60606

Attention: Mr. G. R. Evans

Gentlemen:

We are listing below the telephone inquiries which we received during the month of February, 1966, and on March 1, 1966, from companies with whom your company competes for gypsum business. The inquiries were directed to the writer in accordance with a letter from your company to competitors stating that they were at liberty to call us if they desired to confirm whether or not your company has a commitment with respect to any specific job or a commitment for a specific number of units or for a specific period of time. We have been furnished a register entitled "Gypsum Products Commitments" dated December 15, 1965, revised through January 31, 1966, together with a list of companies and their representatives from whom we should accept calls. 100121

We received two telephone inquiries from Mr. Sikes, Bestwall Gypsum Division, Georgia-Pacific Corporation, during the period February 1 through March 1, 1966, as follows:

Date	Project
February 2, 1966	Engineering Building University of California Davis, California
March 1, 1966	Canoga Project (Spelling Furnished) By Kaufman and Broad Los Angeles, California

We informed Mr. Sikes that the above projects were not listed in the commitment register.

We are pleased to be of service to you in this matter.

Very truly yours,

ARTHUR ANDERSEN & CO.

000003
AA&CO

By _____
Warren Cecil

DS
Copy to Mr. F. W. Weiser

[redacted] GX-613

Engineering
Engineer
G/C.

UNITED STATES GYPSUM COMPANY
101 SOUTH WACKER DRIVE CHICAGO • ILLINOIS 60606

March 28, 1966

Arthur Andersen & Co.
69 West Washington Street
Chicago, Illinois 60602

Attention: Mr. Warren Cecil

100119

Gentlemen:

As you know, at monthly intervals you have furnished us with a list of the telephone calls which have been directed to Mr. Cecil in accordance with a letter which we wrote to our competitors back in December.

Based on our experience in the past two and one-half months, we are of the opinion that the list of telephone calls serves no useful purpose to us, and therefore we are requesting that you discontinue the maintenance of a list of such calls.

Since we do not believe that we will have any use for the list of inquiries made since our letter was directed to our competitors, we have no objection to your disposing of the list if you no longer have need for it.

Very truly yours,

G. R. Evans
Director, Marketing Policy

GRE/hk

000001
AA&CO

[redacted]
GX-700

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: January 13, 1966

TO: Mr. J. H. Goetze

LOCATION: Chicago Region

FROM: A. L. Hayes

LOCATION: Paoli

SUBJECT: DRYWALL ENGINEERING CORPORATION
ST. LOUIS, MISSOURI

COPY

As we have indicated to you in telephone conversations since your memo of January 4th, we cannot buy the fact that our competitor, U.S.G., has given this concern blanket protection on one million square feet of board. They may have protected specific jobs which total this quantity of material.

If we are desirous of supplying material on any of these jobs let us know what they are and, upon verification, we shall consider meeting this competition. However, you must bear in mind that any orders which we accept for shipment to protect the jobs (either those which are protected by us or under protection by competition) must go to the specific jobs involved. Furthermore, I am quite sure that all manufacturers, including ourselves, will keep a close check on shipments to these specific jobs to be certain that the total quantity shipped will not exceed the job requirements regardless of how many different manufacturers may supply portions of the material.

ALH/sh

A. L. H.

CC:
Mr. R. A. McCaskill - Paoli
Mr. R. Sikes - Paoli
Mr. J. W. Porter - Chicago Sales
Mr. L. W. Thompson - Chicago Sales

[redacted]
GX-701

[redacted]
61-701

GP-79

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION — DATE: January 18, 1966

TO: Mr. A. L. Mayer — LOCATION: Paoli General Sales

FROM: D. W. McCubbin — LOCATION: Chicago Regional Sales

SUBJECT: JUNEAU VILLAGE JOB

Re: Urban Development Project "A"
City of Milwaukee

cc: Mr. R. Sikes - Paoli
Mr. J. H. Goetze - Chicago

3/15/66

Would it be possible for you to investigate the U.S.G. list of prior protected jobs to determine whether or not they are protecting any of the buildings involved under the subject or reference titles? It is imperative that we receive this information prior to February 1st. It could possibly be listed as "A", "B", or "C" buildings. I would appreciate any information available. Thank you.

fm:hs

D. W. McC.

NO - (3)
NO - (1)

250-346 3-61

033135

[redacted]
61-706

TO: PAOLI

FROM: SLOUTAH

JAN 20 1966 2:50 PM

TO MR R SIKES PAOLI FROM C CHILUS MISTAR SALES

Project 778

MR HOLE JUST CALLED IN AND I READ HIM YOUR TWX REGARDING LOS ANGELES OFFICE BUILDING AND HE SAID TO ADVISE YOU THAT HE WAS GIVEN MR A L MAYER ADDITIONAL INFORMATION REGARDING PROTECTED JOBS AT OLD PRICES FOR JOBS CONSTRUCTION COMPANY. HE SAYS IT IS IMPERATIVE THESE BE ORDERED OUT.

DA OF 572
END PAOLI

On Milw. Not protected List
D.C. 1/21/66

033453

GX 713

GX-713

WESTERN DISTRICT

DATE 2/3/66

REQUEST FOR PRICE EXCEPTION
ON CYPRUS PRODUCTS

BY W. S. HILL

DEALER'S NAME VOLCO BLDG SUPPLY

DEALER'S ADDRESS BURLEY & JEROME, IDAHO

COMPETITOR BIG HORN GYPSUM CO.

Oral Quotation ✓ Date _____ Written Quotation _____ Date 2/2/66

Invoice No. _____ Date _____

PROJECT 1966 REQUIREMENTS - CYPRUS BOARD

ADDRESS _____

ESTIMATED COMPLETION DATE OF JOB _____

PRODUCT	QUANTITY	COMPETITIVE DELIVERED PRICE QUOTED	HEPTWALL DELIVERED PRICE
1966 REQUIREMENTS			
CYPRUNBOARD - ASBES-	1,000,000	LIST PRICE	NET PRICE
		½"SD - 4'x10'	½" BOARD
		4'x8' & 5'10 PANELS	@ 4½.70

NO!! W. Hill MARKED INCORRECTLY THIS IS BLOOD OF LIST BASIS ONLY 2/3/66 COMMENTS

HILL REQUESTS THAT WE CALL M. REDONDO ON THIS AS HILL HAS ALSO RECEIVED REPORTS THAT COLLYER HAS OFFERED A SIMILAR DEAL TO HOME LBR. CO. AT THEIR IDAHO YARDS

HOLD ☐ APPROVED ☐ REJECTED ☐

033434 SALES MANAGER _____

GX-715

2/7/66

Ah Ha:

Next time you talk with Jim Hagie check Roos non Seisma World TSP production through March 31st.

I do not want to meet this - only to know if this is so.

033433

Yes - bid at a price higher than Cotop price: 50.75 since on appeal at the time he can appeal a allowance (not disclosed - my guess 2.00-3.00)

GX 717

[redacted] GX-717

WESTERN DISTRICT

DATE 2/3/66

REQUEST FOR PRICE EXCEPTION

ON GYPSUM PRODUCTS

BY W.S HOLE

DEALER'S NAME _____

DEALER'S ADDRESS _____

COMPETITOR NATIONAL GYPSUM CO

Oral Quotation ✓ Date _____ Written Quotation _____ Date 2/1/66

Invoice No. _____ Date _____

PROJECT ELK'S RETIREMENT PROTECT

ADDRESS MIRA-LOMA, CALIF.

ESTIMATED COMPLETION DATE OF JOB _____

BLDR-HEFFLER CONST CO - BEVERLY HILLS, CALIF
PREMIER DECORATIVE DRYWALL-

PRODUCT	QUANTITY	COMPETITIVE DELIVERED PRICE QUOTED	INSTALL DELIVERED PRICE
1100 APARTMENTS	3,000,000	SLAB IN	LIST
		EFFECT PRICE	PRICE
NOT ON LIST		TO DEC 15/66	
		LESS 4.00	

NOT ON LIST
E/K 2/10/66

COMMENTS

HOLD WOULD LIKE THIS CHECKED TO SEE IF NATIONAL HAS ON THEIR LIST.

03343

HOLD ☐ APPROVED ☐ REJECTED ☐

SALES MANAGER _____

[redacted] GX-717

Att: Please check with Ken - Adams Mark.

[redacted]
SR-735

TO R. SIKES FROM W. S. MOLE WESTERN REGION 3/25/66

WHILE IN OGDEN 3/23/66 PETE PETERSON WAS TOLD BY DICK COOK - BESTWAY AND TED HANSEN OUR 100% APPLICATOR THAT BLUE DIAMOND HAD OFFERED PRICE PROTECTION ON ANY FHA JOBS - THE NUMBER TO BE FURNISHED BY THE DEALER OR APPLICATOR. ALSO IN SALT LAKE CITY BLUE DIAMOND IS ACTIVE AGAIN WITH LAS VEGAS TRIPS - THE LATEST BEING ACCOUSTICS, INC. - BOTH PARTNERS AND WIVES. ASHWORTH DRYWALL HAVE BEEN OFFERED A TRIP BUT TURNED IT DOWN.

GA OF END

END PAOLI

[redacted]
GR-735

OPEN PAOLI
3/31/66

WESTERN REGION TO W S MOLE FM R SIKES PAOLI

BLUE DIAMOND HAS NO PRICE PROTECTION OR CO-OPERATION IN SALT LAKE. THEY ALSO DO NOT HAVE PRICE PROTECTION POLICY ON FHA JOBS.

GA OF END

END

NO B.S. 3/31/66

BEST COPY AVAILABLE

GX-737

GEOPACCOMPLA

OPRW PACLI
4/26/66

LOS ANGELES TC W UMPIST PM P SIXES PACLI

USG HAS NO PRICE PROTECTION POLICY. NEW PRICES WILL GO INTO EFFECT MAY 1ST AS PREVIOUSLY ANNOUNCED.

DA OF ENT

GEOPACCOMPLA

GX-745

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE 6-13-66

TO Mr. Hans Uebreit

LOCATION Playa Del Rey

FROM K. Hertz

LOCATION Norwalk

SUBJECT United Partition
High Rise Buildings

I went by the Marvin Wilson Building @ 16600 Ventura Blvd., Encino. I found that National Gypsum Company supplied the board for this building. I contacted Mr. Ira Rossman of the above firm, and was advised that we might have a chance on another five story building that they bid. He told me that they got protection on the Del Webb and Marvin Wilson Buildings only. He did not tell me what dealer the National Board was purchased through.

I will follow the account, and attempt to get their business.

To: Mr. Thorgen — Plg. Mgr. Engl Mr. Peterson

H.U.

Col Pacific Santa Barbara Calif
Kings Lumber Co
Col Pacific San Diego, Calif

No!! Wayne Dallis Campbell Reg Calif Mgr Hat Long Beach.

033295 Wilson Bldg (2) Encino
Com 4/28/66
Inv 4/28/66
Proc 4/28/66
Hardy Co
Co Co
No copy was sent

[redacted]
GX-745

ROUTE SLIP
GEORGIA-PACIFIC

TO: R. Lee,

REMARKS OR INSTRUCTIONS:

- ☐ PLEASE HANDLE TO CONCLUSION.
- ☐ PLEASE READ AND LET ME HAVE YOUR COMMENTS.
- ☐ PLEASE READ AND RETURN.
- ☐ FOR YOUR FILES.
- ☐ FOR YOUR APPROVAL.

R&K Kea if this job was finished

6/21/ DATE

ORIGINATOR

[redacted]
GX-746

ROUTE SLIP
GEORGIA-PACIFIC

TO: R. Lee,

REMARKS OR INSTRUCTIONS:

- ☐ PLEASE HANDLE TO CONCLUSION.
- ☐ PLEASE READ AND LET ME HAVE YOUR COMMENTS.
- ☐ PLEASE READ AND RETURN.
- ☐ FOR YOUR FILES.
- ☐ FOR YOUR APPROVAL.

R&K Kea if this job was finished

6/21 DATE

ORIGINATOR

RECEIVED
APR 17 1956
GEORGIA-PACIFIC CORP.
PLYWOOD DIVISION
SALT LAKE CITY, UTAH

[redacted]
GI-746

. . .

FROM SLOUTAH
TO JOE KELLY AND ROB SIKES FROM W. S [illegible] .E WESTERN REGION 6/24/66

HAVE RUN INTO REPORTS THAT NATIONAL GYPSUM HAS EXTENDED TERMS ON HIGH RISE BUILDINGS IN LOS ANGELES. THEY HAVE GIVEN THESE TERMS ON THE MARVIN WILSON JOB IN ENCINO, CALIFORNIA. THEY ALSO HAVE PRICE PROTECTED THIS JOB AT THE OLD PRICE PRIOR TO MAY 1 FOR A PERIOD OF SIX MONTHS. CAN YOU CHECK THIS OUT FOR ME.

GA OR END

EK
No. 1 on Terms or

RECEIVED
GENERAL SALES - GYPSUM
JUN 27 1966

[illegible] GYPSUM C[illegible]

[redacted]
GI-746

GPBW SLOUTAH

GPBW PAOLI
7/1/66

WESTERN REGION TO W S MOLE FM J M KELLY PAOLI

NATIONAL GYPSUM REPORTS THEY ARE NOT SUPPLYING THE MATERIAL ON THE MARVIN WILSON JOB IN ENCINO, CALIF. KAISER IS SUPPLYING THE MATERIAL THRU C.G. HARDY CO. TO UNITED PARTITIONS, THE CONTRACTOR.

NATIONAL WAS OFFERED THE JOB IF THEY GIVE PRICE CONSESSIONS - NOT TERMS - AND THEY REFUSED.

CC: R. SIKES - PAOLI

GA OR END

END

JOB:
MARVIN WILSON BLDG
16600 VENTURA BLVD
ENCINO, CALIF

033204

GS-746

DPR
GPNM PRIBLE

GPNM TELETYAN
TO MR. R. RIKES AND JOE KELLY FROM W. S. HOLE WESTERN REGION 6/27/66

HAVE YOU ANYTHING ON NATIONAL'S EXTENDED TERMS AND PRICE PROTECTION
ON HIGH RISE IN SOUTHERN CALIFORNIA. THANKS.

GA 27 7454

GS-746

GR-751

OPSW SLCUTAH

OPSW PAOLI
6/30/66

SALT LAKE TO W S MOLE FM A L MEYER PAOLI

PLEASE TWX SPECIFIC JOB INFORMATION REFERENCE ALLEGED PROTECTION IN CLEARFIELD AND SALT LAKE BY BLUE DIAMOND.

DA OF END

OPSW SLCUTAH

GR-751

FROM PAOLI

OPSW SLCUTAH
TO A. L. MEYER FROM W. S. MOLE WESTERN REGION 6/30/66

CLEARFIELD JOB REPRESENTING 500,000 PLUS SQUARE FEET OF 1/2" BOARD FOR LDS CORP. - TWO STORY BUILDINGS. DEALER IS CAPITOL BUILDING SUPPLY OPERATED BY HANK SIMPSON FORMER BLUE DIAMOND SALESMAN. (BLUE DIAMOND FINANCED HIM ACCORDING TO TRADE FACTORS.) GENERAL CONTRACTOR IS BOWLING CONSTRUCTION COMPANY. SUCCESSFUL DRYWALL APPLICATORS IS ACOUSTICS, INCORPORATED. CAPITOL SUPPLY IS LOCATED 35 MILES SOUTH IN SOUTH SALT LAKE. ACOUSTICS, INCORPORATED INFORMS US BLUE DIAMOND WILL SHIP TO CLEARFIELD TRAK TRACK. THIS IS 1 1/2 MILES FROM CONSTRUCTION SITE. TO SERVICE THIS JOB CAPITOL WILL HAVE TO GO 35 MILES WITH FORK LIFT AND TWO MEN - UNLOAD CAR - DELIVER 1 1/2 MILES AND STACK BUILDING. CAPITOL'S COST F.O.B. CLEARFIELD IS $46.00 PER THOUSAND FEET. HIS FIRM PRICE TO ACOUSTICS STOCKED IN BUILDING IS $47.50. NO DEALER UNLESS SUBSIDIZED COULD TAKE A DEAL LIKE THIS, NO MATTER WHAT ANYBODY SAYS. OLD PRICE WAS $40.70.

OPPORTUNITY - SALT LAKE JOB.

JOB IS AIR LA CHAPELLE CONDOMINIUM APARTMENTS - 30 UNITS READY TO BE STOCKED THIS WEEK, 30 UNITS IN 90 DAYS. DEALER IS MAL-WARD BUILDING SUPPLY. SUPPLIER BLUE DIAMOND. BUILDER - GENERAL IS NOT KNOWN. APPLICATOR IS TOTAL DRYWALL (NOT WESTWALL) FOOTAGE 350,000 SQUARE FEET OF 5/8" FIRESTOP. PETE PETERSON HAD BREAKFAST WITH KEN DUFFIN AND RAY HILTON PARTNERS IN TOTAL LAST THURSDAY MORNING. THEY SAID THEIR WASN'T ANY PART OF THIS JOB THEY COULD GIVE TO WESTWALL BECAUSE CAPITOL AND BLUE DIAMOND HAD PROTECTED THE FIRM NAMED BOARD FOR SPECIFIERS.

WE ARE BEING KEPT OUT OF THIS MARKET, OUR MOST PROFITABLE NOOK MADE. BIG WITH HAS DEFINITELY DECLARED THEY ARE SELLING FIRE RATED BOARDS! DUE TO OUR PRICE. I PREDICT BLUE DIAMOND IS HEADING THIS, AS FIRST WITH RATED BOARD.

DA OF PAOLI

GX-752

Jack to Mac D.

(STEDINGER - ALT)

Cole

Blue diamond

Clearfield
Salt Lake } Get Pattex.

OK Tom McDonald
Geo Moran VR

Phoned info to Stedinger.
MacD will check them
Channels & advise
early as poss next
week (after 7/1)
02828 - CFH 7/1

GX-753

GPBW SLCUTAH

GPBW PAOLI
7/1/56

SALT LAKE CITY TO W S NOLE FOR A L MEYER PAOLI

REFERENCE TWX 6/30 UNABLE ADVISE POLICY CLEARFIELD AND SALT LAKE JOBS UNTIL JULY 6.

GA OR END

[redacted]
GX-760

OPEN PARIT

OPEN SLCUTAH
TO R. SIKES AND A. L. MEYER FROM W. S. HOLE WESTERN REGION 11/05/66

HAVE YOU BEEN ABLE TO CHECK JOB PROTECTION GRANTSVILLE, UTAH SCHOOL WITH J/M. ESSENTIAL TO FIND OUT WHEN JOB PROTECTED AND AT WHAT PRICE.

GA 09 FVDH

FROM R.SIKES
W.S. HOLE - WESTERN SALES (SALT LAKE)
J/M DOES NOT HAVE ANY PRICE PROTECTION ON GRANTSVILLE UTAH SCHOOL ALTHOUGH THEY HAVE BEEN REQUESTED TO PROTECT THIS JOB.

BEST COPY AVAILABLE

[redacted]
GX-761

11/16/66

Jim HAGUE-
Price protection ? Public Housing Jobs in part
2) Jobs in Ga. Macon & Atlanta

Policy NOW is NONE whatsoever two weeks ago there was Job Protection with the Stamford

[redacted]
63-762

December 15, 1966

[redacted] Paoli

[redacted] Paoli

[redacted] BUILDING PRODUCTS DIV.

Bill Hole and Joe Kelly recently visited subject account and confirmed the following prices by matching up invoices and credits on Gypsum board purchased by Acme Lime from the Big Horn Gypsum Company. Apparently this is the inflated footage deal that Bill Hole reported to us several weeks ago:

		NET	NET ALL IN
1/2"	Gypsum Board	$40.70 less 5% (1.95)	$38.75
5/8"	Firestop Board	$57.00 less 5%(2.85)	54.15
5/8"	Firestop Backer Board	$63.00 less 5% (3.15)	59.85

We have confirmed that Big Horn is price protecting the Wasatch Manor and Friendship Manor jobs in the Salt Lake area and we have 'backed in' on these jobs.

The charge that Big Horn has the footage "inflated" on these jobs in order to bid other jobs at the old price has been emphatically denied.

Will you please give this matter your consideration and advise Bill Hole as to your decision.

W. A.

WAH/def

cc: Mr. A. L. Meyer - Paoli
Mr. A. J. Hole - Paoli

63-763

TELETYPE

OUTGOING MESSAGE TRANSMISSIONS

DATE 12/22/66

DESTINATION Salt Lake City TO W. H. Hole FROM K.A.McCaskill

RE: Big Horn - Sale Lake job protection. Have strong reason to believe that this will cease with shipments on and after January 1st. Please keep us advised.

CC:
Mr. A. L. Meyer
Mr. R. Sikes

GX-764

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE January 10, 1967

TO Mr. E. A. McCaskill LOCATION Paoli

FROM F. J. Koval LOCATION Dallas

SUBJECT CHRIS FIEDLER COMPANY, INC.
MEMPHIS, TENNESSEE

You are already acquainted with my report that the subject Company is down to $44.00 retail, with carloads at $42.00.

The attached mailer to Drywall Contractors and Builders has created a number of inferences that J-M is offering price protection.

FJK/sed

cc: Mr. H. H. Powers - Paoli
Mr. A. L. Hayes - Paoli

ATTACHMENT

GX-800

To: D. D. Stephens
Memphis IM

Report of Competitive Gypsum Activity

February 14, 1966
Sales Administration

cc: R. L. Phillips - Div. Mgr.
Sam Webster

Alex:

Even though we are not supposed to answer or write comments on reports of competitive gypsum activity, I thought I should give you some information which you apparently do not have.

First of all Division Managers were told that this form was to be used in reporting gypsum activity and that no answers were to be expected because no exceptions on gypsum will be made. Secondly, the Division Managers were told we might expect that some of the smaller manufacturers may vary in their gypsum policy but we were not going to recognize their exceptions. These six smaller manufacturers are American Gypsum, Republic Gypsum, Blorks, Grand Rapids, Texas Gypsum and Ruberoid.

K. H. Atwell

GX-800

REPORT OF COMPETITIVE GYPSUM ACTIVITY

MEMPHIS DISTRICT

January 31, 1956

TO: K. H. ATWELL

PRODUCTS INVOLVED: Gypsum Board Products

COMPETITOR: Dierks--PICK UP AT PLANT

COMPETITIVE ACTIVITY.
SUPPORTED BY EVIDENCE (Give dates & Invoice Numbers)

The above Company is allowing certain dealers to pick up at their Plant at $5.00 below delivered price. Example 1/2 Bd--$38.00 less $5.00 equals $33.00. The dealers doing this in Little Rock are:

Long Bell Lumber Co. (International Paper Co.) Little Rock
Monarch Mills, Little Rock
Pioneer Lumber Co., Little Rock
Lyman Lamb Co., Little Rock

VERBAL REPORTS This allowance has been confirmed to be actually in the Little Rock area and our 100% Gold Bond Account, Arena Keys Supply Co., Little Rock, Arkansas, has also been approached on pick ups. It is generally agreed that a dealer can save $2.50 per thousand by hauling board from the Dierks' Plant and it gives them the added advantage of delivering the material straight to jobs once they pick it up. Based on this I am requesting that we allow our 100% account an unloading allowance so that he can compete with these other dealers on large jobs in the Little Rock area. I am afraid that unless we do this that he will be forced to pick up some of his requirements from Dierks. Last year this account purchased through December approximately 3,637,000 ft. of Gypsum [illegible]

Signed [illegible]

NC

GX-812

J. P. Hively — Competitive Gypsum Activity — August 17, 1956
Sales Administration

cc: J. W. Brown

As you know we are making no attempt to meet any competitive price on gypsum reported to us on behalf of the smaller manufacturers. I think this is working very well.

However, I am beginning to wonder if we shouldn't reconsider meeting competition of smaller gypsum manufacturers where service is involved ... for example, in Missouri, Eastern Arkansas and Western Tennessee Republic and Dierks have made great inroads among our customers by trucking. We noticed that Georgia-Pacific also made some "mistakes" and shipped into these areas by truck, although it is not their standard policy.

It would be my recommendation that we consider meeting these services.

E. H. Atwell

AVF

GX-880

A. H. Stephens
Atlanta DM

Georgia Pacific Competition

October 19, 1967
K. S. Atwell

cc: G. V. Arnold - Div. Mgr.
F. R. Griffin - Cent Sls Mgr.

Alex:

I was quite surprised to receive your wire of October 16 asking us to be competitive on gypsum to specific accounts. I thought you understood only Mr. Colon Brown has the authority to grant competitive prices to individual accounts and he has made it clear he does not intend to do this. Since December 15, 1965 we have been absolutely clean and have not met spot competition.

When Reports of Competitive Gypsum Activity forms were originally sent to the districts for this use we specifically stated there would be no replies to these reports but we were interested in getting them from the districts. Frankly even if we were meeting spot competition we wouldn't do so unless we had bona fide proof.

K. S. Atwell

GX-931

United States Gypsum Company

101 South Wacker Drive, Chicago 60606

December 16, 1965

ADMITTED

Mr. Lloyd H. Yeager
Executive Vice President
Gypsum Association
201 North Wells Street
Chicago, Illinois 60606

Subject: GYPSUM ASSOCIATION TASK FORCE ACTIVITY

Dear Lloyd:

Since my appointment as chairman of the task force committee for the development of longer range plans for Association activities, I have discussed a general approach with the chief executive officers of several companies. In each discussion I outlined some possible areas of interest and secured their enthusiastic support that the studies were worth further exploration.

197194C

However, I have come to a conclusion that to appoint a committee to develop these ideas without broad support of the Board of Directors would be premature. Therefore, it seems to me I should request that the entire Board of Directors act as a task force committee for preliminary discussion, and then we should appoint subcommittees to carry out various phases of it. With this in mind, I think we have enough ideas to support a Board meeting some time in the latter part of January. You might want to discuss this with Mr. Greenwood and see if he agrees.

To give you some guidance, the areas of interest which I feel should be explored are as follows:

1. The development of a broad presentation of benefits of Gypsum Association activity should be presented at the April meeting, where we would hope to have all chief executive officers of all member companies in attendance.

GX-931

Mr. Lloyd T. Yeager
Gypsum Association
Task Force Activity
December 16, 1965
Page 2

2. Explore the possibility of utilizing industry fire and sound tests on partition and ceiling systems which do not include proprietary products. I believe there would be a substantial saving to each member company if this were done.

3. Explore the possibility of an industry advertising program to increase the use of gypsum in construction. One possible idea might be the consumer and trade promotion of double layer wallboard construction.

Of course, I do not have complete approval of these ideas in our own company, but I believe they should be defined more specifically before any of us attempt to secure support of our respective company managements. . . .

Incidentally, the people I discussed these ideas with were Jim Walter of the Jim Walter Corporation; Jim Prendergast of Barrett Division, Allied Chemical Corp.; Jim Moran of Flintkote; and Bob Fredericks of Bestwall.

1991147D

Very truly yours,

UNITED STATES GYPSUM COMPANY

A. J. Watt
Senior Vice President
Marketing

AJWiplg

cc: Marvil Greenwood, Celotex Corp.

GX-938

Gypsum Association

201 North Wells Street, Chicago, Illinois 60606 RA 6-6675

September 9, 1966

TO THE BOARD OF DIRECTORS

Gentlemen:

SUBJECT: Credit Activity

One of the questions asked of the chief executive officers of our member companies by the task force presentation at the annual meeting of the Gypsum Association was in the area of credit. At the last meeting of the Board of Directors it was the consensus to hold a final decision on this subject pending further investigation by individual member companies and an opinion on legal limitations.

Legal counsel has forwarded a letter on this subject, a copy of which is attached. Also attached is a previous legal opinion dated October 2, 1963, which was requested by the Board of Directors.

It is hoped that the Directors will review this subject so that a decision can be made on further Association credit activities at the meeting on October 14, 1966, at Pebble Beach, California.

Very truly yours,

GYPSUM ASSOCIATION

A. Victor Abuss, Jr.
Secretary-General Manager

AVAjrmsk
Enclosures (2)

250-346 O - 77 - vol. 5 - 6

GX-938

SPRAY, PRICE, HOUGH & CUSHMAN
Law Offices
134 South La Salle Street
Chicago, Illinois 60603

September 1, 1966

COPY

Mr. A. Victor Abnee, Jr.
Secretary and General Manager
Gypsum Association
201 North Wells Street
Chicago, Illinois 60606

Dear Mr. Abnee:

Credit Activity

In 1963 the Association members expressed an interest in exploring the possibility of establishing some sort of credit activity within the framework of the Association. We were asked to prepare an opinion as to the legal limitations of such a program, which opinion was included in a letter to the Association dated October 2, 1963.

Since that time no credit activity has been undertaken.

Last June the members again expressed an interest in considering establishment of some type of credit activity and we were asked to determine whether there had been any decisions or other developments which would alter our legal opinion.

We have again reviewed this subject and advise that there have been no cases with opinions of record handed down since the foregoing opinion.

The only legal development bearing on the question which we have found is in connection with a symposium on antitrust questions held by the District of Columbia Bar Association February 25, 1965. At that time George Myron, Assistant Chief, General Litigation, Antitrust Division, United States Department of Justice, spoke on the subject of "Antitrust Implications of the Exchange of Business Information." Credit information, of course, is but one facet of this general subject. In general, he reviewed the same cases referred to in our 1963 opinion. He concluded that there was a presumption against any confidential exchange of business secrets among competitors and that such an exchange had to be handled with careful attention to legal limitations. He noted that the only exceptions to this general presumption which had been approved were the exchange of "information on credit worthiness of customers and possible fraudulent purchasing practices." Thus, his conclusions simply reaffirm our earlier opinion.

You may wish to again distribute a copy of the 1963 opinion for review.

SPRAY, PRICE, HOUGH & CUSHMAN

By (signed) T. S. Shull

250-340 3883

TSS/ss

GX-938

REPORT OF LEGAL COUNSEL
ASSOCIATION CREDIT ACTIVITIES

Members of the Association have expressed an interest in a credit program within the Association and have inquired as to the legal limitations of such a program. Two suggestions have been received from members of the Association; one that a monthly credit report be established listing delinquent accounts throughout the country; the other that a credit committee be established whose members would be those charged with credit responsibility for the member companies, which committee would meet periodically for purposes of discussing and exchanging credit information and general credit conditions throughout the country as they might affect this industry.

The legality of a credit program within a trade association depends upon the purpose of the program, the way in which it is handled, and its general effect as reflected in the activities of the member companies. Such a program cannot legally be established for the purpose of standardizing credit terms or boycotting or refusing to deal with any customer or potential customer through collective action or by agreement. The mere existence of a credit program within the industry may have the tendency of undermining the validity of a credit defense in a refusal to deal case, particularly where several members of the industry refuse to sell a particular customer. It is well-established law that a seller may by unilateral action refuse to sell a customer for any reason, or for no reason, when its position in the market or its purpose is not monopolistic. When a company refuses to do business with a prospective customer and is accused of being motivated by ulterior purposes, the business reasons for its action constitute its principal defense. That which a company may do unilaterally it may not always be free to do collectively or by agreement with its competitors. Therefore, the question frequently arises as to whether the action of a company in refusing to enter into a business relationship with a prospective customer was an independent decision or was made pursuant to collective action or agreement. The more contact between competitors each of whom refuses to sell the customer in question, and the greater the exchange of information pertinent to such a decision between such competitors, the more difficult the proof of independent action becomes.

Subject to these general conditions, the exchange of information as to delinquent accounts has been legally upheld as a proper activity of a trade association. The landmark case in this area is Cement Manufacturers Protective Association v. United States, 268 U. S. 588 (1925). In that case the legality of monthly reports to the association from and for the use of all its members listing all their customer's accounts which were two months or more overdue was upheld where the information contained in those reports consisted only of (1) name and address of delinquent debtor; (2) amount of overdue account in ledger balance; (3) which accounts were with attorneys for collection; (4) explanation of any reasons for non-payment or reasons why the account was being disputed by the debtor; (5) total of delinquent accounts compared with those for the preceding twelve months; and (6) reports of payments of accounts placed with attorneys for collection.

There is some authority which suggests that credit data in addition to that set out immediately above may be legally exchanged. In United States v. Southern California Fruit Growers Assn. 7 F.2d 944 (S.D. Cal. 1925), a trade association's credit reporting program involved, among other things, the exchange of names of retailers who had been reported as "financially irresponsible." The court's opinion does not state what, if any, factors were used to determine whether a retailer was financially irresponsible and whether those factors were reported to the members along with the names. Nevertheless, even the exchange of the statements that particular customers are "financially irresponsible" goes beyond the types of data

GA-504

GI-938

exchanged by the association members involved in the Cement case. An added non-antitrust risk in this area is the possibility of the information being libelous. The law of libel is state law and state law, of course, varies widely.

Despite the suggestion to the contrary in the Southern California Fruit Growers Assn. case, the exchange of data regarding delinquent accounts beyond that involved in the Cement case certainly increases the risk of Sherman Act violation. Not only is Fruit Growers questionable authority, but the court in the Cement case itself, after setting out the types of data exchanged, which exchange under the circumstances of that case was held legal, pointed out that "There were never any comments concerning names appearing on the list of delinquent accounts."

In Swift & Co. v. United States, 196 U. S. 375 (1904), the court approved a decree which stated that nothing in that decree should be construed to prohibit the defendants "from establishing and maintaining rules for the giving of credit to dealers where such rules in good faith are calculated solely to protect the defendants against dishonest or irresponsible dealers." This statement was cited with apparent approval in the Cement case and does suggest that collective establishment of credit rules may not necessarily be illegal.

Consistent with Justice Holmes' language in the Swift case, is the treatment given standardized credit terms in three cases - United States v. Fur Dresser's & Fur Dyer's Assn. 5 F. 2d 869 (S.D. N.Y. 1923); United States v. Southern California Wholesale Grocers Assn. 7 F. 2d 944 (S.D. Cal. 1925); and United States v. Cincinnati Fruit and Produce Credit Assn., 1956 Trade cases ¶68,248 (S.D. Ohio 1956). See the discussion of these cases in Lamb and Kittelle op. cit. p. 99-102.

In Fur Dressers an association by-law provided that a list of overdue accounts to members be prepared and distributed to association members each month and that no delivery of dressed or dyed skins be made to anyone whose name appeared on that list unless payment was made in cash. The court in upholding the reasonableness of this by-law, pointed out, among other things, that it did not limit the amount of credit which a member may extend to a non-delinquent customer.

The Fur Dressers & Fur Dyer's Association also had a by-law provision that all bills were to be rendered net, payable at the end of the month next following the month of delivery. This by-law was upheld by the court as being reasonable to enable the members to determine whether a customer pays his bills upon the expiration of a reasonable and uniform credit. The government conceded that this by-law did not in any manner affect price competition, a concession that probably would not be made today.

Southern California Wholesale Grocers involved the issuance and distribution among the association's members of a list of names of retailers who had been reported as being financially irresponsible or who had failed to pay their bills coupled with an "understanding" among the members that the persons appearing on the list be accepted as cash customers only. Apparently this "understanding" was not binding on the members. The court, upon authority of the Cement case, concluded that the exchange of data and the "understanding" did not constitute a violation of Section 1 of the Sherman Act.

GA-505

GI-938

In United States v. Cincinnati Fruit and Produce Assn., the government charged that a by-law of the association which permitted the members to grant credit for a short, fixed period automatically violated the Sherman Act because it was tantamount to price fixing. The court upheld the validity of this practice because, among other things, that practice had been followed in the industry for forty years and the by-law merely reduced to writing a well-established custom which apparently had evolved among the members on an individual basis. The government also charged that a by-law provision which required the association members to make only cash sales to delinquent customers violated the Sherman Act because it was an illegal boycott. The court also rejected this charge, stating that the by law provision did not go beyond the reasonable requirement to correct industry abuses.

The cumulative effect of Fur Dressers, California Wholesalers and Cincinnati Fruit and Produce as support for the legality of the collective setting of credit terms and practices is not impressive. All three are lower court cases and none have been cited in subsequent decisions. Two are approximately 40 years old and the most recent one, Cincinnati Fruit and Produce, decided in 1956, contains no analysis but merely sets out findings of fact and conclusions of law. In two of the three cases the credit rules were either not followed in many instances (Fur Dressers), or were not "necessarily obligatory" for the members (California Wholesalers). And in each case there were very definite and serious abuses against which the credit terms and practices were specifically directed.

The most recent Supreme Court decision in this area and, in fact the only one since the old Cement case, is United States v. First Nat. Pictures, Inc. 282 U. S. 44 (1930). The court found the following practices of local Film Boards of trade violated the Sherman Act:

"That to correct abuses and unfair practices the president shall appoint a credit committee of three members to investigate and report the names of all persons who have acquired, by purchase or transfer, theaters in the territory within which the Film Board operates. The secretary of the Film Board shall be secretary of the Committee and to him sales and transfers of theaters shall be promptly reported. These shall be placed upon a 'Credit information list' and copies furnished to all members of the Film Board for their confidential information. Upon receipt of such list each member shall advise the secretary concerning its existing contracts for exhibition of pictures at the listed theater and shall state whether the transfer provided that the new owner should assume and complete outstanding contracts.

"That immediately upon receiving information of the transfer of a theater the secretary shall request the new owner to furnish within five days references concerning his credit standing, etc., and to secure this information a prescribed form of questionnaire shall be sent out. The credit committee shall meet weekly to examine and report upon the credit standing of new owners and furnish a copy of their report to members as confidential information. If a new owner fails to respond to the questionnaire, this fact shall be noted upon the credit information list. Also the credit committee shall indicate on the list every sale or transfer of a theater which upon investigation it concludes was made by the previous owner for the purpose of avoiding or being relieved of uncompleted contracts for exhibiting pictures at such theater. There shall also be indicated opposite the name of each theater listed (excepting those whose new owners have agreed to assume and complete all existing contracts

GA-506

entered into by the prior owners, and of which agreement notice has been given to or received by the credit committee) the amount of cash security, not exceeding $1,000, which in the judgment of the committee is a reasonable sum that members shall require to be deposited as security for the full and complete performance of each contract thereafter made and entered into for the exhibition of pictures at such theater.

"That no member of the Film Board shall enter into a contract for the exhibition of pictures at any theater listed on the credit information list for a period of ten days from the date of the first appearance of such the[illegible] upon the list nor thereafter unless the new owner or lessee of such theater shall have paid in cash to such member with whom such owner or lessee desires to contract for pictures the amount of security specified on the credit information list. * * * The credit committee may from time to time remove from the credit information list the name of any theater owned or operated by a new owner and thereafter members of the Film Board may contract with him.

"That members upon demand of the credit committee shall furnish desired information, permit examination of books and records with respect to any exhibitor who has sold or transferred his theater and has failed to provide for the assumption by the new owner of existing contracts. A member of the Film Board who violates any of these rules shall be subject to suspension or expulsion."

The Department of Justice does not look with favor upon any association activity which might lead to standardization of credit terms and practices among competitors. In United States v. Long Island Sand & Gravel Producers Ass'n., 1940-43 Trade cases ¶ 56,048 (S.D. N.Y. (1940)), a consent decree was entered enjoining the members of the association therein involved from adopting uniform terms for the extension of credit. See also the consent decree in United States v. Textile Refinishers Ass'n., Inc., 1955 Trade cases ¶68,126 (S.D. N.Y. 1955). On the other hand, while prohibiting trade association members from evaluating or rating any customer, a consent decree did "not prohibit the defendant Association from operating or maintaining a bona fide credit bureau for the exchange of credit information, United States v. Nat'l. Electric Sign Ass'n., 1954 Trade cases ¶ 67,724.

In summary, it is my opinion that members of a trade association can legally report and exchange data concerning delinquent accounts at least to the extent permitted by the court in the Cement case, provided there is no agreement to use that data for an illegal purpose. If additional information is to be reported and exchanged it should be limited to facts concerning the financial and credit responsibility of the delinquent accounts and designed solely to enable the recipients to better evaluate on a purely individual basis the credit risks among their customers. I have reservations as to the value of credit committee meetings to do more than develop instructions for reporting such information. The area of legally permissible discussion would be relatively small. Perhaps I am not sufficiently familiar with the particular subject matter discussion of which might be desired, and, therefore, suggest that a meeting of credit representatives of member companies might be held to explore the nature of the activities which a credit committee might undertake. Such an exploratory meeting would not involve significant legal risk, even if no continuing activity resulted, assuming the discussions were subject to appropriate legal limitations.

END

SPRAY, PRICE, HOUGH & CUSHMAN
LAW OFFICES
[illegible]
CHICAGO, ILLINOIS 60603
[illegible]

[illegible]

September 1, 1966

[illegible]

Mr. A. Victor Abnee, Jr.
Secretary and General Manager
Gypsum Association
201 North Wells Street
Chicago, Illinois 60606

Dear Mr. Abnee:

Credit Activity

In 1963 the Association members expressed an interest in exploring the possibility of establishing some sort of credit activity within the framework of the Association. We were asked to prepare an opinion as to the legal limitations of such a program, which opinion was included in a letter to the Association, dated October 2, 1963.

Since that time no credit activity has been undertaken.

Last June the members again expressed an interest in considering establishment of some type of credit activity and we were asked to determine whether there had been any decisions or other developments which would alter our legal opinion.

We have again reviewed this subject and advise that there have been no cases with opinions of record handed down since the foregoing opinion.

GI-938

SPRAY, PRICE, HOUGH & CUSHMAN

The only legal development bearing on the question which we have found is in connection with a symposium on antitrust questions held by the District of Columbia Bar Association February 25, 1965. At that time George Myron, Assistant Chief, General Litigation, Antitrust Division, United States Department of Justice, spoke on the subject of "Antitrust Implications of the Exchange of Business Information". Credit information, of course, is but one facet of this general subject. In general, he reviewed the same cases referred to in our 1963 opinion. He concluded that there was a presumption against any confidential exchange of business secrets among competitors and that such an exchange had to be handled with careful attention to legal limitations. He noted that the only exceptions to this general presumption which had been approved were the exchange of "information on credit worthiness of customers and possible fraudulent purchasing practices". Thus, his conclusions simply reaffirm our earlier opinion.

You may wish to again distribute a copy of the 1963 opinion for review.

SPRAY, PRICE, HOUGH & CUSHMAN

By Richard L. Snell

TSS/ss

GX-965

TERMS

3/9/66 Talked to Chuck Hamilton of USG.
He has heard no rumors at all re any break in the term, at least not among any of the major companies.

Rollie
3/9/66

GX-975

May 5, 1967

#131 - Mr. A. J. Watt

Attached green sheet for your information. National recently admitted they had an interest free note with Adobe Brick, Hollywood, Fla. (Maksik) in 1966. They now have a 6% interest bearing note for $140,000 beginning 4-1-67. The free note has been paid off, they say.

Please note and return.

G. R. Evans
#145-1

We were led to believe they had no such arrangements —

USG/2

AJW

GX-975

GX-976

GX 976

INTEROFFICE CORRESPONDENCE

To R.D. Watson-General Credit Manager-Buffalo Subject Withdrawal of Special Terms Date February 17, 1961 From Credit-Long Beach

C. Gustavus

Bob:

I recently forwarded a copy of Kaiser's February 7 letter to the trade concerning a clarification (withdrawal) of terms. It is different in that the net due date is the 2nd 15th prox, rather than the 2nd 10th prox.

If I were to be asked, I would not consider this a pertinent enough issue to consider changing anything we have already done.

Rumor has it that Blue Diamond is not following the other companies in this matter, but this is not so. Blue Diamond's letter is now in the mail, although it carries a date of February 11. I do not have a copy, but it has been read to me, and it is in line with the precedent set by other manufacturers.

In confidentially discussing with Blue Diamond how rigid they intended to be, I sensed an air of indecision.

Blue Diamond feels the withdrawal of cut-off dates is going to put them at a competitive disadvantage. Their shipments into Southern California come from either Fremont, California or Arden, Nevada. This means a transit time of perhaps four days. Again in strict confidence, they will probably hold up billings on some end of the month shipments. In other words, it might be a few days variance between the shipping date and the invoice date when shipment occurred at the end of the month.

Blue Diamond has just this week had an organizational change, and there have been no resolutions concerning how these terms withdrawal are to effect customers with existing balances. In short, this organizational change is that while Blue Diamond will continue to operate as a separate division, the credit responsibility is that of Flintkote. The Regional Credit Manager, H.F. Meadow will report direct to Flintkote's Hdqs/.

R.R. Campbell

RRC/mtr

NATS 22 32

GX-977

Gold Dust

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To R.D. Watson-General Credit Manager-Buffalo Subject Gypsum Terms Date April 20, 1960 From Credit-Long Beach

Bob:

I just confirmed the first exceptions to the March 1 gypsum terms. However, these exceptions have supposedly been corrected so this is merely for your information.

Arrow Building Supply of Portland and Crowe City Building Materials (location?) were both given March cut-off dates of March 22 by Kaiser. Supposedly Pabco initiated this, as their shipments into this area were from their Newark, California plant, and because of the distance they permitted this cut-off. Kaiser admitted they met this situation.

Kaiser added that they have since withdrawn these exceptions and they understand Pabco has done likewise.

R.R. Campbell

RRC/mtr

GI-978

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: R.D. Barber-General Credit Manager-Buffalo

Subject

Date May 11, 1966
From Credit-Long Beach

Bob:

I had a most productive lunch meeting Monday of this week with Dick Croak, Regional Credit Manager of USG.

Territorially and organizationally USG's western region is almost identical to ours.

It is unfortunate there was no previous credit exchange with USG's previous Regional Credit Manager, Walter Scott. A great many of our requests to meet competitive terms were meeting USG terms. Likewise, a great many of USG's competitive terms were granted to meet ours.

Croak admitted USG was more at fault than any other gypsum company in fostering the growth of the shoe-string, no-capitalization drywall supply brokers.

Although we did not discuss any specifics, a firm foundation was laid for a continuing exchange of credit information.

R.E. Campbell

REC/mtr

MAY 22 82

GI-979

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To R.D. Barber-General Credit Manager-Buffalo

Subject Competition Terms

Date June 29, 1966
From Credit-Long Beach

Bob:

I firmly believe Bestwall (Division of Georgia-Pacific) is either continuing or re-establishing an end-of-the-month cut-off practice. This is occurring in Southern California and in Arizona. Documented proof I don't have yet but will get. If it's true, I can't really blame them as rail delivery from Sigurd, Utah and/or Acme, Texas takes up to eight days.

Bob, can you consider this? Thanks! Bill

Also, I have two independent reports from reliable sources that American is offering a ten per cent (10%) discount on carload cash-in-advance orders. This is in addition to the usual two per cent cash discount. And this is not occurring with customers who must pay cash, but rather with those who are capable of paying cash and earning a substantial discount. I will work on getting proof of this. (It sounds like they would rather have the flow of receipts rather than a profit; are you pushing them for payment of paper bills?)

R.E. Campbell

REC/mtr

GX-980
- 4 -

BOB —

RUMORS ARE ALWAYS A DIME A DOZEN, BUT ALL THE PRECEDING ARE OF THE LAST TWO WEEKS, (LIZ JUST FINISHED HER HOMEWORK AND LET ME HAVE THE TYPEWRITER.)

I FEEL CONVINCED THE STROH DRYWALL PROGRAM IS FACT. BUT AS FOR THE OTHERS, THEY COULD BE MERELY RUMOR OR BAIT. AT THIS STAGE, THEY ARE DIFFICULT TO CONFIRM.

USG'S REGIONAL CREDIT MANAGER IS OUT OF TOWN THIS WEEK, BUT AS SOON AS POSSIBLE NEXT WEEK I PLAN TO GET TOGETHER, PROBABLY OVER LUNCH, TO DISCUSS MARKET CONDITIONS, ETC. PERHAPS I CAN LEARN SOMETHING.

ONE POINT I DIDN'T MAKE, NONE OF THE SIX DRYWALL CONTRACTORS MENTIONED PREVIOUSLY COULD BE CONSIDERED "BANKABLE." IN OTHER WORDS, IF THEY DO HAVE THESE LOANS, IT'S ON SOME BASIS OTHER THAN THEIR OWN MERIT.

ROLLIE
8/25/67

P. S. I SHOULD PROBABLY APOLOGIZE FOR THE STATIONARY, HANDWRITING, ETC OF RECENT MEMOS. BUT TYPISTS ARE A SCARCE COMMODITY AROUND THE LONG BEACH OFFICE LATELY. BETWEEN SICKNESS AND TERMINATIONS, THERE ARE ONLY THREE GIRLS IN THE WHOLE BUILDING WHO CAN TYPE.
ROLLIE

GX-981

...ms of Record — USG Monthly Statement Procedure — August 28, 1967 General Credit Manager

On August 28, 1967 I talked with Bill Regan, General Credit Manager of USG, regarding what their monthly statement procedure has been in the central part of the United States.

In the central part of the United States - generally where only a 2% cash discount on gypsum products applies - USG has installed a computerized accounts receivable operation. Initially they eliminated all monthly statements for customers in this area, but through necessity have had to reinstate 15% of their customers on the monthly statement basis. Their customers claim they need such a statement for their bookkeeping records.

USG customers who receive statements in this area are furnished a monthly statement before all billings for the current month are recorded in their books. In no case is this time period more than three or four days at the end of each month.

Although these customers are not told that shipments not appearing on their statement may be discounted in the second following month, USG does allow the discount without protest if taken on the 20th of the second following month.

In other words, any customer in this area who is currently receiving a USG monthly statement does have an early cut off of three or four days at the end of each month and when discount is taken in the second following month it is not protested by USG.

R. D. Barber

bsw

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61-982

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

cc: A. H. Atwell - Sales

To: 1. J. P. Nicely
2. R. D. Barber

Subject: 21st Cut Off
Dealer Gypsum Products
Clay and Jackson Counties, Mo.

Date: 9/22/67
From: Regional Credit Manager

On September 19th R. D. Barber spoke with Bill Hogan, U. S. Gypsum's General Credit Manager. Hogan confirmed USG is allowing 21st cut off on gypsum dealer products shipped into Clay and Jackson counties of Missouri.

These two counties comprise a portion of the metropolitan area of Kansas City, Missouri. Since the entire state of Kansas is allowed 21st cut off it is only realistic to grant the same terms to the metropolitan area of Kansas City, Missouri.

Do you approve meeting the confirmed competition of USG and allow 21st of the month cut off in Jackson and Clay counties of Missouri only for dealer gypsum products (including other top loaded items) shipped into these counties?

D. D. Kent

Approved: R. D. Barber

Approved: J. P. Nicely

21

61-983

Credit File

Peacock and Turkish - Jersey City, New Jersey

March 8, 1967
Buffalo - Credit

On March 6, 1967, I phoned Mr. Sabel, of USG.

He told me that they do not base their grace period on working days; they base it on number of calendar days which is five but if the 25th comes on a Saturday or Sunday then the grace period is extended to the following Monday.

Sabel said that this has always been their practice for all accounts.

W. E. Griffith

WEG:mmg

Discussed with Bill. W.H. - [illegible] 9/22/67 -- Still the same situation as explained above.

WEG

GX-984

W. W. Gerber — City Lumber and Supply, Rockford, Illinois — May 15, 1968, K. H. Atwell

Bill:

I noticed I am still holding an MEMC submitted by Al Roy and Bill Wright asking that we meet a 20th cut-off date to be competitive with UBC.

Frankly, our Credit Department has determined UBC does not allow a discount of this type but did go to the 25th as a cut-off date. You were going to handle this with Al Roy and Bill Wright.

I am not pushing for this but am simply telling you I am placing it in my file and will hold it until we hear further from you.

K. H. Atwell

dh

GX-985

from the desk of K. H. ATWELL

D BOB - BARBER CREDIT.

BOB Would you PLEASE ATTEMPT TO VERIFY THIS

KEN

GX-985

6/11

Ken -

Bill Gerber sent me this - Actually, you should see them before anyone.

Don Kurt

GX-985

Gold Bond

NATIONAL GYPSUM COMPANY

Gold Bond

INTEROFFICE CORRESPONDENCE

PERSONAL & CONFIDENTIAL

To: W. H. Gerber - Buffalo
Central Region Sales Manager

Subject: Cedar Rapids Lumber Company
Cedar Rapids, Iowa

Date: June 7, 1968
From: Great Plains Division

cc: R. E. Belknap - Omaha
District Manager

Competitive Terms

Attached is RTAC to meet competitive terms offered to the above company by U.S.G.

We have already met a competitive price situation on gypsum and on joint treatment products with this same company which U.S.G. offered attempting to get this company's business.

We have enjoyed a large volume with this account in the past and they control the buying of one of the largest drywall contractors in Cedar Rapids. I am requesting that we give our approval to this competitive situation on terms.

Tom K. Avant

TKA:ow

Attachment

BEST COPY AVAILABLE

GX-985

SALES OFFICE Omaha

REQUEST TO MEET COMPETITION

CUSTOMER'S NAME: Cedar Rapids Lumber Company	DATE PREPARED: June 6, 1958
LINE ADDRESS TOWN COUNTY STATE: 900 - Second Street N. W. Cedar Rapids (Linn Co.) Iowa	
SHIPPING DESTINATION IF DIFFERENT TOWN COUNTY STATE: Same	
PERSON INTERVIEWED NAME AND POSITION: Al Knapp - Co-owner	
DATE OF INTERVIEW: 5/29/58	COMPETITIVE MANUFACTURERS: U. S. G.
COMPETITIVE SHIPPING POINT:	

PRODUCT(S)	OUR PRICE	COMPETITOR'S PRICE	HOW SHIPPED: CL TL LCL MIX	HOW SHIPPED: MIX AT MIXED CAR
Gypsum Bd. Machine Products	-	-	-	-
Drywall Metal	-	-	-	-
Joint Compound Products	-	-	-	-

COMPETITIVE OFFER OR SPECIAL SERVICE (IF ANY): 2¢ Third 20th Prox

EVIDENCE OF COMPETITIVE OFFER SHOWN TO ME

- ☐ ORIGINAL OR COPY OF INVOICE QUOTATION OR PRICE LIST ATTACHED
- ☐ INVOICE NO. _____ DATE _____
- ☐ QUOTATION DATE 5/23/58 by Celotex, New York, Ill. Chicago
- ☐ PRICE LIST NO. _____ DATE _____
- ☐ OTHER Al Knapp confirmed this to Glen Jones and myself on 5/29/58 at 2:00 p.m. in his office.

JOB INFORMATION IF JOB INVOLVED NAME LOCATION

EXPECTED SHIPPING DATES START COMPLETION	NSC SHIPPING PLANT
QUANTITIES	
CUSTOMER'S SIGNATURE AND TITLE	SALESMAN'S SIGNATURE: Glen D. Jones
DATE TO BE EFFECTIVE 6/2/58	☐ TO BE HANDLED ON FACE OF INVOICE BY PLANT ☐ TO BE HANDLED BY SALES OFFICE AFTER SHIPMENT
SIGNATURE AUTHORIZING PERSON	SIGNATURE DISTRICT MANAGER: D. E. Swanson

LOCAL OFFICE USE ONLY

NG 395183

GX-986

Gold Bond

NATIONAL GYPSUM COMPANY

Gold Bond

INTEROFFICE CORRESPONDENCE

To Mr. H. M. Thacker - Select

Subject Cedar Rapids Lumber Co.
Cedar Rapids, Iowa

Date 6/16/58
From Regional Credit Manager

June 14, I spoke with Don Haverstine, Regional Credit Manager, USG. They have no special cash discount terms established for this account.

D. D. Kent

jl

GX-987

E. H. Atwell
Div. Mgr.

Cedar Rapids Lumber Co.
Cedar Rapids, Iowa

June 24, 1953
E. H. Atwell

cc: W. W. Garber

We are sorry we must reject your request of June 6 to permit the subject account the terms of 2% 3rd 20th prox.

We haven't found this in the market before and feel we do not want to become a party to spreading the situation.

E. H. Atwell

dh

GX-988

from the desk of E. H. ATWELL

D Bo Beaver Creek

Would you please Verify This.

E

① Phone - rec'd label - 2 1/2 - 7/14/48.
No special terms - they will take slightly 6 on not 7 take slightly 6 on. They do not discount at 5%. Normally discount at 2%.

② Phone Bills - 7/6/48 (Geo Cook) - they do not sell the item. Do know of a source from you

③ We do not ordinarily stock cap nuts 6-32 (obsolete) because they [illegible] 3/4 G 39 5 45 5 H

GX-988

Gold Bond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To: N. M. Atwell
cc: R. D. Neff
C. D. Harless

Subject: Volpe Building Supply Corp.

Date: 9-21-68
From: E. T. Geary

Ken:

I am attaching two XTMC's for the above suoject. U.S.G. currently enjoys a good volume from this account and their New Hyde Park operation.

On June 4, 1968 both John Born and Dick Volpe told me in their office on Herrick Road, New Hyde Park, New York at about 9:45 a.m. that the following situations were too excessive with this new organization.

1. U.S.G. would acturally be giving them third 20 prox. terms until their current needs and requirements are handled.

   These terms would be available from Georgia-Pacific and Celotex.

   I am requesting only 5% second 20 prox. rather than go to the third 20 this they agreed to as approved.

2. U.S.G., Celotex and GP have offered them the current list price less five percent, three percent, and five percent on LMP effective June 1, 1968.

   I am requesting that we meet this competitive situation when approved by you.

395:61

This is now with John Born our former employee participating as a full partner

BEST COPY AVAILABLE

GX-988

Gold Bond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To: N. M. Atwell
cc: R. D. Neff
C. D. Harless

Subject: Volpe Building Supply Corp.
(2)

Date: 9-21-68
From: E. T. Geary

In my estimation the operation can grow over John to a million feet per month of which we would like about one half.

The Cooperate net worth on May 1 this year is in Wil Griffiths hands, Volpe's net worth exceeds $450,000 and Born's is about $65,000.

Your help in setting up this new account on the necessary terms and price will be appreciated.

Best regards,

Ed

E. T. Geary

ETG:ws
Attachment

P.S. Strick confidence has been asked by Mr. Volpe as a precaution to our business.

P. S. S. As the price is approved, I would appreciate this being handled by check from Buffalo and not put on the invoice.

GI-988

SALES OFFICE

REQUEST TO MEET COMPETITION

BE CERTAIN TO FILL IN ALL INFORMATION PERTINENT TO THIS SITUATION

CUSTOMER'S NAME: Volko Building Supply Corp.

DATE PREPARED: 6-6-68

MAILING ADDRESS, TOWN, COUNTY, STATE: Ronkonkoma, New York

SHIPPING DESTINATION, IF DIFFERENT, TOWN, COUNTY, STATE: Ronkonkoma, New York

PERSON INTERVIEWED, NAME AND POSITION: John Born, Vice-President — Vicktor Volpe, President

DATE OF INTERVIEW: June 4, 1968

COMPETITIVE MANUFACTURER(S): Georgia Pacific, U.S.G., Celotex

COMPETITIVE SHIPPING POINT:

PRODUCT(S)	OUR terms	COMPETITOR'S terms	HOW SHIPPED (CL, TL, LCL, etc.)	WHEN SET REQUIRED
Terms of payment Gypsum.	5% - 15 days	5% - 2nd 20th prox.		

COMPETITIVE OFFER OR SPECIAL SERVICE (IF ANY)

EVIDENCE OF COMPETITIVE OFFER SHOWN TO ME

- ☐ ORIGINAL OR COPY OF INVOICE, QUOTATION OR PRICE LIST ATTACHED
- ☐ INVOICE NO _____ DATE _____
- ☒ QUOTATION DATE June - 1 to 15 - 1968
- ☐ PRICE LIST NO _____ DATE _____
- ☒ OTHER Evidence given by both principles involved of a verbal nature.

JOB INFORMATION IF JOB INVOLVED, NAME, LOCATION

EXPECTED SHIPPING DATES: START _____ COMPLETION _____

NEAREST SHIPPING PLANT

QUANTITIES 1

CUSTOMER'S SIGNATURE AND TITLE: John D. Born Vice Pres.

ORIGINATOR'S SIGNATURE

DATE TO BE EFFECTIVE 6-10-68

☐ TO BE HANDLED ON FACE OF INVOICE BY PLANT
☐ TO BE HANDLED BY SALES OFFICE AFTER SHIPMENT

SIGNATURE AUTHORIZING PERSON

SIGNATURE DIST. MANAGER Div.

ECONOMICS BUFFALO USE ONLY

NG 395459

250-346 3921

GI-990

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

Dept. of Marketing — Subject: Special Terms Request (5% - 60 days on gypsum) — Date: August 7, 1968 — From: Southeast Division

C. W. H. Strickland + 1P

C & R Building Materials Inc.
Miami, Florida

Jacard Industries Inc.

Silver Lake Apt. Job

Called Celotex (Tampa) and Georgia Pacific (Atlanta) on 8/7/68:

Dick Smith - Celotex:

Sell 2 cars gypsum a month to C & R. Pays on discount basis - on 5% or 2% discount.

Has not been approached for terms as stated on this job, or any other job, for these accounts.

Smith would know of any 5% 60 day term request on gypsum.

Celotex has not had any terms on gypsum for these accounts in the past.

Claude Turner - Georgia-Pacific:

Extend credit to C & R with $15,000 credit limit.

$7,900 June account was discounted in July with 5% 1st & 15th prox, and 2% 20th prox terms in effect.

Owes $6,300 for July purchases.

Has not been approached for any extended discount terms for these accounts on Silver Lake Job, or any other job. Turner would know of such terms.

Georgia-Pacific has not had any terms with these accounts on past jobs.

GX-991

C. F. Arnold
Div. Mgr.

C & R Building Matls.
Miami, Florida

August 17, 1968
E. H. Atwell

George:

We are sorry we must reject your request for special terms for the subject customer. We know this account's credit is good but we don't have enough evidence that special terms exist and therefore feel we should not get this started in the area.

E. H. Atwell

db

GX-992

Gold Zond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Band

To: J. D. Barber
Subject: Nisco Inc.
Alexandria, Virginia
Date: August 20, 1968
From: Buffalo - Credit Department

On August 19th, I spoke with John Vail, Credit Manager for Kaiser Gypsum Company in Lacon, New Jersey. I was attempting to confirm allowed special discount terms of 5%, 25th Prox. with a 25th cutoff extended to Nisco by Kaiser on Gypsumboard machine products.

Vail said he has not been informed by his home office of any special terms they extended this account. He said they have had no late discounts of record and the account is paying within regular terms of sale.

E. D. Kent

JCKils

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GX-994

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: L. D. Barker

Subject: Montgomery Crawford Company of South Carolina Aiken, South Carolina

Date: 9/20/58

From: Regional Credit Manager

I spoke with Mr. C. T. Turner, Regional Credit Manager, Georgia Pacific Co. - Atlanta, Georgia today.

He said they have no special cash discount terms for this customer. They just turned down a request for ½ 2nd 10th prox terms.

D. D. Kent

GX-1004

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

TO: Mr. J. H. Kelly

FROM: L. E. Garland

SUBJECT: CAGLE DRYWALL COMPANY, OMAHA, NEBRASKA

DATE: November 2, 1956

LOCATION: Paoli

LOCATION: Kansas City Sales

cc: Mr. E. A. McCaskill - Paoli
Mr. N. H. Powers - Paoli
Mr. J. F. Carroll, Jr. - Paoli

THIS COPY FOR

I recently received a telephone call from Mr. Vern Cagle and he was quite upset and surprised in information that he had received from the Celotex General Credit Manager, a Mr. Garrett. In working out our recent financial arrangement with Mr. Cagle, naturally we found that he owed the Celotex Corporation in excess of $100,000 for material previously purchased. He has been an excellent Celotex account for over two years and has purchased approximately 12 to 15 million feet of board from them yearly. For the past three months, he has been increasing his purchases from Bestwall and Celotex had naturally become quite concerned in losing this gypsum to us. It definitely was the plan of Mr. Cagle to pay Celotex off in full, once the financial arrangement with the Omaha National Bank was worked out. He was wanting this exact amount and this is what brought forth a conversation between Mr. Cagle and Mr. Garrett. I do not care to go into all the particulars or attempt to repeat any conversation, since I am not that close to them, however, in the conversation between Mr. Cagle and Mr. Garrett, Mr. Garrett informed Mr. Cagle that he was aware of a financial arrangement whereby Georgia-Pacific Corporation, Bestwall Gypsum Division, had put a certificate of deposit in the Omaha National Bank in the amount of $150,000. Mr. Garrett seemed to be quite aware of everything that had been worked out as far as Bestwall was concerned with Cagle Drywall, Inc. In checking with the Omaha National Bank, Mr. Ed Kinhout, Vice President who worked out this arrangement between Mr. Cagle and Bestwall, we found that no information could have leaked out as far as the bank was concerned. We did understand that the Celotex Corporation had contacted the bank seeking information but definitely received none.

Evidently the conversation between Mr. Cagle and Mr. Garrett got to a very heated type conversation and it was then that Mr. Garrett told Mr. Cagle that he was very much acquainted with a Mr. Kelly of Bestwall and made indication that this was his source of information in regard to knowing about our recent financial arrangement.

This information seemed to sift down to the Sales Department of Celotex because very recently another good account in Omaha, by the name of The Carter Company, jumped our salesman in regard to what type of an arrangement we had worked out with Mr. Cagle. Not that Mr. Carter was too much concerned only he let our sales representative, Mr. Julian, know that he also was aware of a deposit being made at the bank in the amount of $150,000, etc.

GX-1004

Mr. J. H. Kelly - Paoli November 2, 1966

Page 2

...s have denied any of this information so far, but it is rather difficult to say too much, especially in the case of Mr. Cagle, when Mr. Garrett informed him in the manner that he did in regard to the information.

Joe, I am very much upset, disappointed and frankly disgusted to think that this type of information has been given out to our competitors. I can appreciate exchanges of credit information in regard to lines of credit, whether or not an account is discounting, etc., but I cannot visualize the information that evidently has gotten to the Celotex people from Bestwall of the nature of a financial program that we have, as a company, for various customers. I feel quite sure that today the Celotex Corporation is very much aware of exactly the type of program that we are using in various parts of the country. It certainly does not help our position with Mr. Cagle in his feeling of our letting this information out, thereby his competition, along with other manufacturers, becoming aware of exactly how he is operating his business. It is also not good for us in the field to have other contractors knowing that we have a financial arrangement going with Mr. Cagle also. In other words, this kind of screws up the whole works and I frankly am not very appreciative of working under these conditions. I consider a competitor strictly a competitor and what he does is his business and what I do is my business. I believe that we should take this attitude on the top level and we would all be better off in the long run.

I believe that an explanation is in line from you, and I would like to have some on this whole situation. It appears that the damage has been done, but I would like to have your side of the picture to round out my thinking. Please advise.

L. E. G.

LEG/vw

GX-1007

Typed copy of GX 1007

February 1, 1966

Special Terms - Extended Datings

Frank Biermann, c/o California Celotex
Dan J. White, c/o Dallas District
LeRoy Garby, c/o New York District
Don Williams, Chicago - Monroe Street
Richard Smith, Credit Department, Tampa
J. E. Lane, Credit Department, Tampa

cc: R. Thompson, Legal Dept.

Upon receipt of a request from any District Sales Office or any Sales Department for special dating of any kind, it is requested that not only do you investigate the credit worthiness of the customer, but you make every effort to contact the competition involved to determine whether or not they have offered the same terms to the customer.

This is most important and is to be considered an integral part of your procedure from this date forward.

Under no circumstances will the orders be released or special dating authorized without your approval of both portions and it will be assumed that the proper investigations of each have been completed to your satisfaction.

H. D. Jarrett
General Credit Manager

GX-1009

THE CELOTEX CORPORATION

February 19, 1971

CEL 60746

Giant Supply Co.
19 Brooklyn Ave.
Massapequa LI, N. Y.

Dear Customer:

As of February 28, 1971 the extended terms of 2% 20th 2nd Prox
that you have enjoyed will be terminated.

We are attempting to give you sufficient notice in which you can so inform your Bookkeeping Department that your new terms of payment will be 2% 20th Prox net 10th following month.

Very truly yours,

W. D. Jarrett
General Credit Manager

WDJ/lb

cc: H. A. Skinner
W. G. Roth
J. H. Schmidt - Edgewater ✓

GX-1009

Phoned U.S.G. Tems
Not competitive.
In addition, customer
not performing.

W.G. Roth
2-8-71

CEL 60747

GX-1009

CELOTEX

REQUEST FOR EXCEPTION TO PRICE OR TERMS OF SALE

No Commitment Shall Be Made To The Account Unless This Request Is Approved

CEL 61748 Nº 14787

☒ NEW ☐ SUPERSEDES 250 No _____ EFFECTIVE _____

☐ SUPPLEMENT TO No _____ EFFECTIVE _____

DISTRICT NAME & NO: New York 116

ACCOUNT TO WHOM COMPETITIVE QUOTATION WAS MADE

EXACT NAME: Giant Supply Corp.

CITY: Massapequa

COUNTY: Nassau STATE: N.Y.

TRADE CLASSIFICATION: ☒ WHOLESALER ☐ CONTRACTOR ☐ DEALER ☐ INDUSTRIAL ☐ BUILDER ☐ PREFAB ☐ APPLICATOR ☐ OTHER

DESTINATION: CITY Same STATE COUNTY

LOCATION OF BRANCHES (IF ANY) OR JOB NAME AND ADDRESS

TYPE AND SIZE OF INDIVIDUAL SHIPMENTS: ☒ T/L ☐ C/L SIZE _____

TOTAL QUANTITY INVOLVED: Requirements

CELOTEX SHIPPING POINTS: Edgewater

CELOTEX PRODUCTS INVOLVED (SHOW PRODUCT NAME THICKNESS, SIZE, TYPE, ETC.)	PRICES PER UNIT (Indicate Whether F.O.B. or Delivered) OUR PRESENT PRICE	COMPETITIVE OFFER	PRICE REQUESTED
All Gypsum Products	2% 20th 2nd prox	2% 20th 2nd prox	2% 20th 2nd Prox
		2% 20th each 10th following month	

NAME OF COMPETITOR (IF MORE THAN ONE, SO INDICATE): U.S.G.

HAS ACCOUNT BOUGHT ON ABOVE BASIS? ☒ NO ☐ YES FROM WHOM

BASIS OF INFORMATION (check all that apply)

NAME OF INDIVIDUAL PROVIDING INFORMATION: Sol Kocol TITLE: Pres

☐ INVOICE – DATED _____ ORIGINAL OR COPY ATTACHED? ☐ NO ☐ YES (Obtain Original or Photostat Whenever Possible)

☐ WRITTEN QUOTATION ☒ ORAL QUOTATION – DATE _____ MADE BY – NAME _____

☐ OTHER – (EXPLAIN HOW INFORMATION WAS OBTAINED) COMPANY Will Not Give

IS THIS PRICE BEING QUOTED GENERALLY IN THIS MARKET AREA? ☐ NO ☐ YES AREA

METHOD OF HANDLING: ☐ FACE OF INVOICE ☐ CREDIT MEMO ☐ OTHER

CELOTEX % THIS PRODUCT LINE: 25

SPLIT WITH WHOM

CUSTOMER'S ESTIMATED ANNUAL PURCHASES: THIS PRODUCT LINE ALL GRADES $ 200,000; FROM CELOTEX ALL LINES $ 300,000

APPLIES TO: ☐ SPECIFIC ORDER NO. _____ ☐ JOB LISTED ABOVE ☒ CUSTOMER'S REQUIREMENTS

FINALLY APPROVED BY: NAME _____ DATE _____

ADDITIONAL COMMENT OR EXPLANATION

SALESMAN'S SIGNATURE: J. Keating DATE

DISTRICT MANAGER'S RECOMMENDATION: To meet competition.

DISTRICT MANAGER'S SIGNATURE _____ DATE 2/11/71

EFFECTIVE DATE: 3-1-71 ☐ UNTIL FURTHER NOTICE TERMINATION DATE: 3-31-71

GENERAL OFFICE INSTRUCTIONS

APPROVED BY: PRODUCT MGR. DATE DIV. MGR. DATE

Form No. 350 REV. 8-70 MARKETING SERVICES – A/H/A

GX-1010

THE CELOTEX CORPORATION

February 10, 1971

NO TERMS

Continental Lumber Co.
226 Orange Ave.
West Haven, Conn.

CEL 61748

Dear Customer:

As of February 28, 1971 the extended terms of 2% 20th 2nd Prox. that you have enjoyed will be terminated.

We are attempting to give you sufficient notice in which you can so inform your Bookkeeping Department that your new terms of payment will be 2% 20th Prox net 10th following month.

Very truly yours,

H. D. Jarrett
General Credit Manager

HDJ/lb

cc: R. A. Skinner
W. C. Reth
J. R. Schmidt - Edgewater ✓

GX-1010

These Terms are
Not competitive!

W.A.R.-Th
2-7-71

NC
CEL 5.771

GX-1011

THE CELOTEX CORPORATION

RECEIVED
JAN 21 1972
LEGAL DEPT.
GENERAL OFFICE

TO All Regional Credit Managers

SUBJECT Competition

DATE January 19, 1972

cc: R. Thompson

From this date forward, no one is to contact our competition to determine if they are extending "extra terms" to anyone, in particular or in general.

We will continue discussing the "normal" credit information with competition, but never anything other than this.

W. O. Garrett

bja

GX-1012

THE FLINTKOTE COMPANY
BLUE DIAMOND DIVISION
INTER-OFFICE CORRESPONDENCE

Confidential P.
To Court O

to L. E. Craddock
M. P. McAdow

subject Gypsum Terms

from H. R. Holte

date March 15, 1966

In a conversation with Jim Rowe of Kaiser Gypsum Company I learned that they are handling their accounts as follows:

1. Any account to whom they had extended additional terms, they will carry these accounts until June 1, 1966 and if paid by that time they will allow a two percent discount.

2. Any account that had enjoyed extended terms in the past which are not paid in full by June 1, 1966, they will take a Note until the end of the year at 6 percent interest with no discount allowed.

3. Under no circumstances will they violate the new terms starting March 1, 1966.

4. Under no circumstances will they extend an account on a Note basis beyond December 31, 1966.

HRH

pn

BEST COPY AVAILABLE

GX-1012

[COPIED FROM ORIGINAL]

THE FLINTKOTE COMPANY

BLUE DIAMOND DIVISION

INTER-OFFICE CORRESPONDENCE

To L. E. Craddock
M. P. McAdow

Subject Gypsum Terms

From H. R. Holte

Date March 15, 1966

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2. Any account that had enjoyed extended terms in the past which are not paid in full by June 1, 1966, they will take a Note until the end of the year at 6 percent interest with no discount allowed. (At the time the note is taken (June 1). Will allow discount if note is paid by 12/31/66.)*

3. Under no circumstances will they violate the new terms starting March 1, 1966.

4. Under no circumstances will they extend an account on a Note basis beyond December 31, 1966.

HRH

pn

For Jim Lahar*

* Written in long-hand on original.

GX-1013

cc: Mr. Seitz
cc: Mr. Purvis

THE FLINTKOTE COMPANY
BLUE DIAMOND DIVISION
INTER-OFFICE CORRESPONDENCE

to Mr. Chichester — subject Fremont Cut Off Date

from James W. Warren — date January 11, 1966

I have determined that U.S.G. uses the 20th of the month as their cut off date from Fremont. This was done because of the confusion resulting from having different estimated transit time from the various plants to many destinations.

Starting January 20, 1966 I propose we use the 20th of the month as our cut off date.

~~Please advise so I can put out a memo to the men.~~

Incidently, I have verified that National uses the 20th as their cut off date from Richmond.

O.K. Wes
1/19 EC- advise Burns to initiate

We are primarily concerned with the competitive credit practice which consist of:

1. Release of Lien
   A. Giving blanket books of signed lien forms to be filled out by customer at his discretion.
   B. Signing off any Release of Lien given to the manufacturer stating they have been paid in full.
2. Joint Checks
   A. Competition reportedly signs off Joint Checks, taking no monies for themselves and allowing the invoices involved to be paid with full 5% cash discount privilege at a later date or transfer the invoice value, less the 5% cash discount to Notes Receivable.
      1) We do not know the extent that Joint Checks are actually solicited by the gypsum manufacturer, however, the increasing trend in California is that lenders, owners and general contractors are

automatically issuing Joint Checks which magnifies the problem.

3. Financing and Terms

A. Since extended terms are a form of financing, we consider the practices together and they consist of:

1) Short term Notes after allowance of 5% cash discount with 0% interest up to 8% interest.

2) Long term Notes on large account balances made up of several months shipments or total job shipments or total stocking into a large commercial complex. In most instances 5% cash discount is allowed, minimum interest is charged and the length and payment terms vary widely.

4. Compensating Balances

A. Placed in customer's bank or with builder's bank.

5. Guaranteed Loans

A. Guarantee the gypsum contractors bank on any monies they advance.

6. Direct Cash Loans

A. Advancing funds to tie-up a gypsum contractor and his future jobs or start an individual into business through actual cash loans. Usually when this occurs the manufacturer obtains full security devices consisting of collateral proceeds, assignment of contracts, assignment of stock, Release of Ledgers and frequently letters of resignation from the principals to be effective at the manufacturer's discretion. Complete control of the contracting company is actually in the hands of the manufacturer.

Credit merchandising policies probably account for approximately 70% of sales made by a gypsum manufacturer.

J-M's Plan "B" - Special Gypsum Program as outlined in R. M. Davis' letter

September 24, 1969 and presently being used only in the Los Angeles Gypsum District shows the effect of credit selling.

Month	Total L.A. Gypsum Sales	Total Plan "B" Sales	% Plan "B" Sales to Total
October, 1969	$138,436	$ 38,699	28.0%
November, 1969	111,687	37,016	33.1%
December, 1969	153,975	77,829	50.5%
January, 1970	241,050	114,493	47.5%
February, 1970	227,187	118,576	52.2%
March, 1970	241,624	152,720	63.2%
April, 1970	226,202	197,196	87.2%
May, 1970	166,844	106,669	63.9%

Credit merchandising practices being used by major gypsum manufacturers' are listed below:

UNITED STATES GYPSUM COMPANY

1. Financing & Terms
2. Compensating Balances
3. Guaranteed Loans
4. Direct Cash Loans
5. Related Policies in regards:
   A. Releases of Lien
   B. Joint Checks

In many instances, this firm has almost complete control of the gypsum contractor through use of:

1. Financing statements
2. Financing Agreements covering all accounts receivables, Chattel paper, contract rights, documents (both negotiable andnon-negotiable), general intangibles, goods, instruments, inventories (including, but not limited to, raw materials, components, parts, goods and work in process, finished goods, materials and supplies), Notes now and hereafter owned by the debtor, and in which the

debtor now and hereafter has any rights and where ever situated and whenever acquired.

3. Corporate Resolutions and Corporate Guarantees
4. Personal Guarantees
5. 1st or 2nd Trust Deeds on properties - either Corporate or personally owned
6. Supplement to Financing Agreement - lease of ledgers
7. Assignment of Corporate stock and letters of resignation from principals, to be made effective at discretion of major manufacturer.
8. Third party Assignment of contract and proceeds thereof.

KAISER GYPSUM COMPANY, INC.

In addition to the practices used by U. S. G. mentioned above, this firm also has an exclusive agreement with the Morgan Trucking Company, whereas freight and stocking charges become a part of the negotiated pricing on jobs with a "kick-back" made to Morgan for his assistance and cost differential.

THE FLINTKOTE COMPANY

In addition to the practices used by U. S. G., this firm also has one major program used involving job basis sellings and Joint Check Arrangements. Here, Flintkote agrees to accept all the contractors progress billing payments set up under Joint Check Agreement, and then agrees to advance funds for labor and miscellaneous items. Recovery for this direct advance and material sale, comes out of the next progress payment from that particular job.

GEORGIA-PACIFIC CORPORATION

This firm occasionally uses some of the tools previously mentioned, however, more for one shot job deals than on a continuing basis. The "one shot job deal" usually combines price, terms, and compensating balances, plus Joint Check Agreements.

NATIONAL GYPSUM

This manufacturer appears to maintain a policy more consistent with J-M's except for a large amount of job basis selling to the small undercapitalized contractor.

National's [redacted] are holding firm on standard cash discount terms. Exceptions would be on a pre-arranged agreement to meet competition - similar to our Plan "B".

National has one large account (Strom) to whom they extend most concessions generally known in the market place, including long-term financing.

National's job basis program is legally oriented, with job rights preserved through use of California Preliminary Lien Notices, three party Joint Check Agreements and contingent Releases of Lien.

The credit department at National feels a deterioration of the credit marketing program by the big "3" and a trend reverting back to more "deals" to keep volume high.

THE CELOTEX CORPORATION

With no plant or mine locations in Southern California, this gypsum manufacturer has found it unprofitable to operate in the Los Angeles Basin or San Diego area, therefore, almost out of the market.

They do some business in the area served by their Cody, Wyoming plant, which would be in Washington, Oregon and a small amount in both the San Francisco Bay area and Las Vegas.

The Celotex credit department reports that the bulk of their sales were previously done on a legally oriented job basis, with a firm policy in regards terms, Release of Lien and sign off of Joint Checks.

Celotex's Los Angeles credit manager reports that he feels it takes five times the man hours to handle a gypsum account, regardless of dollar involvement, than it does a regular product open account. In addition, the costs of travel and auto expense increases greatly.

GX-1025

ACCEPTED

6/18/64 Per Reece Albertson, Pabco. agreed to go "into second month," without loss of discount. Beyond that they are charging back.

Pollie

NATIONAL

GX-1025

ACCEPTED B/M
Long Beach, Calif.

5/29/64 Called Grey re the old 2%'s charged back.

Claims Pabco doesn't charge back discounts.

Also, he had her Hank Myer's instructions.

250-316 3911

NATIONAL

GX-1026

Accepted
Leroy Beard

10/12/66 Per USG.

USG is not selling. Has not sold other than the hospital job on jet check.

USG doesn't even know who is selling.

Rollo
10/13/66 ll

GX-1027

ALERT LBR

GX 1027

5/23 per Dick Dawning of Kaiser

Dick said check for $20,000 yesterday saying in full. No P/S and can't guess at net worth.

No spec terms.

Blue Diamond not giving terms either but supposedly giving extra material & applicators & good adjustments.

5/23 Blue Diamond (Jim Binnall) knows of no spec terms. ~~Always~~ usually buys well. Feels that do not work on P

GX-1029

ALERT LBR Co.
Los Angeles

4/2 Ltr per Jim Reams - Kaiser

Normally 55-60,000 per month
limit of late down to 25-30,000 in
monthly sales.

Terms only an extra 30 although
requests for more have been made.

Jim knows that USG is in for
just under ½ million and estimates
that Pabco is in there for 400,000.

250-346 3947

NATIONAL

GX-1029

Copy for GX 1029
W. Tamblyn, 12-7

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE December 5, 1969

TO Mr. Frank Bergstrom

LOCATION Los Angeles

FROM R. Schmidt

LOCATION Los Angeles

SUBJECT Kaiser Credit Policy

From information developed throughout the Western Region, it appears that Kaiser Gypsum has changed their credit policy in allowing a 5% Cash Discount 20th Prox instead of using the gypsum terms to which we now adhere. This change of policy is not apparent on their invoices, however, due to its wide application, it must have the approval of Kaiser's Credit management.

I would appreciate your assistance in verifying the information that has come to my attention. As you can see, such a change of credit policy would give Kaiser a definite competitive advantage in sales.

RS:sh

cc: Messrs. E. C. Schmidt
O. E. Burch

COPY

61-1386

PERSONAL & CONFIDENTIAL

December 15, 1969

Mr. F. E. Bergstrom — Los Angeles

V. I. Tamblyn — Portland

Gypsum Credit Terms

Frank, Gene Zurek directed a photo copy of Hans Uhlrich's December 3 memorandum to my attention. This is the memo Hans wrote to you concerning the Kaiser Credit Policy and in which he requested your assistance in verifying that Kaiser is allowing a 5% cash discount on 30th prox terms.

I find it very difficult to believe that Kaiser would go so far as to allow a 5% cash discount on 30th prox terms. Hans in his memorandum indicates that he believes this to be the case "from information developed throughout the Western Region." I would certainly be interested in knowing where Hans got his information concerning the 5% cash discount terms. Perhaps you have developed some information by this time but if not, perhaps Hans would be willing to enlighten us as to where he has obtained this information by naming specific customers.

Also in regard to the above, perhaps these specific customers would like to provide us in writing with a statement to the effect that they are receiving these terms from Kaiser Gypsum. If they are truly receiving these terms from Kaiser and they are requesting similar terms from Georgia-Pacific, I don't see why they would object to either one, giving us a letter in writing saying that they are receiving these terms or two, providing us with correspondence directed to them from Kaiser which authorizes them to take these terms even though the terms are not as indicated on Kaiser's invoices.

I would appreciate your keeping us advised as to the information developed as it certainly could affect our terms policy in other locations. At the present time I assume that we are maintaining our standard gypsum terms and are not going to the 5% cash discount on 30th prox. We certainly do not wish to make such a move at this time in view of the many discussions and this is again why I find it hard to believe that Kaiser has taken this action.

Please keep us advised.

V. I. T.

VIT:ss

(This is to be filed in the "Gypsum Terms" file.

076803 DOCUMENT NO. T 11699
J.E.C. - 6/1/78

61-1387

GEORGIA-PACIFIC

INTEROFFICE/INTERDEPARTMENTAL COMMUNICATION — DATE January 2, 1970

TO Mr. V.I. Tamblyn — LOCATION Portland

FROM F.E. Bergstrom — LOCATION Los Angeles

SUBJECT Gypsum Credit Terms

In response to a request made December 5th by Mr. Uhlrich, a copy of which came in to your hands, I contacted the Oakland office of Kaiser Gypsum to inquiry if there had been any change in gypsum cash discount terms. As I subsequently told you over the telephone, Mr. Frank Kehan in Oakland definitely stated that Kaiser continues to adhere to the 5% 15 day and 2% 20th terms in the Northern California area. He suggested that I talk to Mr. Jerry Driggers about the Southwest region.

After numerous attempts to reach Mr. Driggers I talked to him today and was assured that Kaiser is continuing to be strict on the 5% 15 day discount terms. He claims they charge back the 5% if the envelope is not postmarked the 15th or 30th.

On December 19th the credit manager of another gypsum supplier stated his firm had not run into any evidence of a Kaiser abuse of the 5%.

F.E.B.

cc: Hans Uhlrich - Los Angeles
R.C. Schmidt - Los Angeles

M. Jones - Portland

GX-1450

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF UNITED STATES GYPSUM COMPANY HELD AT THE OFFICE OF THE COMPANY, 101 SOUTH WACKER DRIVE, CHICAGO, ILLINOIS, ON FRIDAY, MARCH 11, 1966, AT 11:00 O'CLOCK A.M.

* * * * *

The meeting was called to order by C. H. Shaver, Chairman of the Board, and F. L. Stellner acted as secretary.

A roll call showed the following members:

Present: C. H. Shaver
Champ Carry
Wesley M. Dixon
David M. Kennedy
Joseph B. Lanterman
Graham J. Morgan
Charles H. Price
Edward Rumbort
Solomon B. Smith
F. L. Stellner
A. J. Watt
L. S. Wescoat

constituting a quorum of the Board,

Absent: Charles M. Hines
Richard S. Jukes
W. B. McMillan
Robert M. Morse, Jr.

Upon motion duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED: That the minutes of the regular meeting of the Board of Directors held February 9, 1966, as submitted to all directors, are hereby approved.

Joseph B. Lanterman, Chairman of the Audit Committee, reported on the March 2, 1966, meeting of the

GX-1450

Committee, and upon motion duly seconded and unanimously carried, the report was accepted and unanimously approved.

Graham J. Morgan, President, reported that the December 15, 1965, withdrawal by the Company of all discounts from list prices was holding very well, except for several one-plant producers, and that the elimination of these discounts was expected to increase pre-tax profits in 1966 by about $7,380,000. On March 1, 1966, the Company withdrew all extended terms. This action was well received and has been followed by all but one small producer. It should reduce the 70 days' business now outstanding in receivables by about 15 days before the end of the year.

Mr. Morgan also reported that the National Gypsum Company increased some gypsum prices and reduced the number of price zones effective March 1, 1966. After thorough study, the Company announced price adjustments and zone changes substantially different from National Gypsum Company, effective with shipments made on and after May 1, 1966, and, in addition, guaranteed the new prices to the end of the year. Competition has generally followed these changes and the effective date. These new prices will add about $5,890,000 in additional pre-tax profit for the remainder of the year, for a total of additional pre-tax

GX-1450

profit from price increases of $13,270,000. Mr. Morgan also commented on two months 1966 sales volume and realized prices.

Mr. Erwin A. Stuebner, President, Kidder, Peabody, & Co., discussed the current money and bond markets and proposed an interest rate for and the principal amount of subordinated debentures to be exchanged for the 7% non-callable preferred stock of the Company.

After some discussion and upon motion duly made and seconded, the following resolution was unanimously adopted:

> BE IT RESOLVED: That (i) the interest rate of the subordinated debentures to be issued by U S G Corporation shall be 4-7/8% per annum; (ii) the amount of such debentures to be exchanged for each share of 7% preferred stock of this Company outstanding at the time of its merger with U S G Corporation shall be $175.; and (iii) Messrs. Shaver, Morgan and Price are hereby directed to cause U S G Corporation to adopt said interest rate for its subordinated debentures and to authorize a sufficient principal amount of subordinated debentures for issuance in exchange for the 7% preferred stock of this Company.

There was then presented to the directors a Plan and Agreement of Merger between this Company and U S G Corporation, a Delaware corporation. After discussion and upon motion duly made and seconded, the following resolutions were unanimously adopted:

24638
US

GX-1461

February 10, 1966

Mr. A. L. Mayer — Paoli

Mr. R. Sikes — Paoli

MONTHLY REPORT - JANUARY

Re: Price Administration Department

Gypsum prices remain stable throughout the country during the month of January. We continue to receive reports covering the competitive activities of Diaria and the Republic Gypsum Company. These reports cover alleged allowances of $2.00 per MSF or 5% off list to key accounts in the States of Texas, Kansas, Oklahoma, Nebraska and Iowa. We cannot confirm these reports nor can we obtain concrete evidence that these competitive situations actually exist.

We were able to confirm one competitive situation relative to the activities of the Republic Gypsum Company in Kansas City and Oklahoma City, where they are shipping two truckloads at the large car price and allowing ½ per cwt., which is the equivalent of $1.00 per MSF on 1/2" Board. As of this date, we have taken no action with respect to meeting this competition.

On January 3rd we eliminated truck shipments of Gypsum Board Products in the States of Kansas, Missouri and Nebraska, except Douglas and Sarpy counties. After a two weeks period we found that this change in our policy was detrimental to our business and it was necessary for us to resume truck shipments into the Southern portion of Nebraska in order to retain our business in that area.

It was necessary to change our pricing structure in the State of Arkansas, where we will now invoice minimum 45,000 lb. truckloads at the 60-70M carload price. We are certain that this change will place us in a fully competitive position with respect to truck shipments within the State of Arkansas.

The U.S. Gypsum Company apparently did not eliminate trucking on Gypsum Board Products into the State of Missouri as they previously announced. We are presently checking into this matter, and it may be that we will be forced to resume truck shipments into the Western portion of Missouri in order to meet the competition of the major producers.

The new scales of rail rates on 80-90 and 100-110 M lbs. minimum rates went into effect on January 21st, however the State of Texas was excepted along with the State of Louisiana.

On January 31st the National Gypsum Company sent a Trade Letter to all dealers announcing a change in terms of sale on Gypsum Products to the effect that with shipments on and after March 1st their terms of sale will be 2% - 20th prox. net 2nd 10th prox. The U. S. Gypsum Company and the Eastwall Gypsum Division also announced similar changes in their terms of sales to be effective with shipments on and after March 1, 1966.

The National Gypsum Company on January 31st also announced in a letter to the Trade that they were realigning all gypsum price zones effective March 1st, 1966 which will result in some adjustments in the prices of Gypsum Products in practically all zones throughout the country. In accordance with the announcement by the National

GX-1461

A. L. Meyer -2- 2/10/66

Gypsum Company, the present 195 pricing zones will be reduced to 71 pricing zones effective March 1, 1966. We have made a study of the proposed new pricing zones for the National Gypsum Company, and they will reflect price increases ranging from 25¢ to amount as $3.50 on the various Gypsum Board products in the line. I do not believe that this price increase will go into effect on March 1st inasmuch as none of the major producers have announced an increase as of this late date.

John-Manville -

In order to resolve our differences with J-M on their new cost figures, we gave them slightly reduced costs at Acme, Nine Rapids, Fort Dodge and Wilmington effective January 6, 1966. These revised costs were still not acceptable to J-M, and it was necessary for us to set up a meeting between Mr. Fredericks and Messrs. Dutcher and MacDonald in New York on February 2nd.

Mr. Frederick's informed me that they had a very successful meeting and the only concession that he did make was that we would consider a $1.00 reduction in the J-M costs at the Wilmington Plant.

General Comments -

Schedules A, B and 1 of the new standard price list have been mailed to all Bestwall Division and Distribution Division personnel. We expect to have the balance of the new price list in the hands of our sales people by March 1st. This project is running behind schedule because of the lack of manpower due to illnesses and inclement weather during the past two weeks.

Bob Coleman, who has been ill for the past three weeks is expected to return to the office on a part time basis the week of February 14th.

GX-1462

GOVERNMENT EXHIBIT 1462

April 11, 1966

Mr. A. L. Meyer Paoli

R. Sikes Paoli

MONTHLY REPORT - MARCH

Re: Price Administration Dept.

With the exception of the competitive activities of Diamond and the Republic Gypsum Company in the Southwest, gypsum prices remained stable throughout the country during the month of March. However, the inception of our stocking program with the Branches in the Southwest and increased shipments to the West Coast to relieve Signal has enabled us to operate Acme at capacity during the last two weeks of March.

The National Gypsum Company after suspending the date of their price increase from March 1st to May 1st, sent out a second Trade Letter in which they announced additional price increases in some areas to meet the higher prices announced by U.S.G. These additional price increases generally applied to the Southwest. The additional increases also are to be effective May 1st.

In order for Bestwall to be competitive during the interim period it was necessary for us to issue a temporary price to be effective for the period February 22nd, the date of the U.S.G. announcement, through April 30th. In issuing the temporary price list we had to take the lower price after checking the current list price and the prices announced by our competitors in every case. The temporary price list was distributed only to our sales people to insure invoicing at competitive prices during this interim period, and has eliminated the necessity of competitive reports.

We made the right decision when we met the U.S.G. prices which they announced to the Trade on February 22nd.

Every effort is being made to complete shipments to price protected jobs by May 1st, but it will be impossible to complete a few of these jobs by that date. We are also confronted with the established policy of the National Gypsum Company with respect to price protection on Public Housing Authority jobs, which they will protect for the life of the job. We have no such policy; however, it will be necessary for us to meet this competition.

We are anticipating rail car shortages at all plants during the balance of this year. During the month of April the shortage of cars at all plants will be so critical that it will be necessary for us to resort to truck shipments in rail areas as was done prior to the December 15th price increase. The Nine Rapids and New Orleans Plants are presently using an emergency truck plan. We have given authority to Nine Rapids for use of trucks, when flat cars are not available, for shipments into the States of Kansas, Missouri and Nebraska. The New Orleans plant has been given authority to ship via truck into the five parishes in the New Orleans Area.

The U.S. Gypsum Company recently announced a truck plan to apply in the Southeastern States in which they will charge a $1.00 per M sq. ft. markup over the 60-70 M C/L price for 40 M T/L shipments.

250-346 O - 77 - vol. 5 - 10

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61-1462

A. L. Mayer -2- 4/11/66

Johns-Manville Sales Corporation:

I attended a meeting with the J-M sales people in New York on April 5th. We had a very successful meeting and I was able to negotiate with them on their revised costs in line with the May 1st price increase. The new costs are acceptable to J-M, and they are aware they will have to comply with the penalty clause in the contract on shipments during 1966 from all plants.

J-M shipments totaled 16,000,000 sq. ft. during March which was an increase of 5,000,000 sq. ft. over March of 1965.

General Comments:

The new standard price list for all products has been completed and is now in the hands of our sales people. We have received many favorable comments on the new price list.

Jane Flanigan resigned on March 31st because of marriage and subsequent move to Syracuse, New York. We requested a replacement nearly a month ago, and the Personnel Department hasn't come up with a single applicant.

The total shipments from all plants during March was 103,000,000 sq. ft. as compared with 71,000,000 sq. ft. for March 1965.

61-1469

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: September 29, 1966

TO: Mr. L. B. Garland — LOCATION: Kansas City Region

FROM: A. L. Mayer — LOCATION: Paoli

SUBJECT: B & C COMPANY, OMAHA, NEBRASKA
EAGLE COMMERCIAL DRYWALL, OMAHA, NEBRASKA

RE: Price Protection for Commercial Jobs Under Contract

COPY

This will acknowledge your letter of September 26th and confirm our telephone conversation today, September 29th.

At this time we are in no position to commit ourselves to a change in policy regarding price protection. As you know, it has not been our custom to offer price protection and there was none on the last increase in May of this year.

When contractors bid on jobs, such as those listed in your letter, involving a considerable period of time between the bid and the actual work they must anticipate price changes and protect themselves as much as possible by reflecting such anticipated changes in their bid price.

As mentioned earlier, we are not at this time able to state what our policy will be regarding price protection if and when we announce the price increase some time in the future, but you can expect that we will be fully competitive in this regard.

We hope that you will be able to satisfactorily explain our position to Mr. Cagle so that there will be no assumption on his part that simply because this list has been furnished to you now that he can count on price protection against any advance in prices that might occur before he completes his work on these contracts.

ALM/sh

A. L. M.

CC:
Mr. H. H. Powers

GS-1466
P. 1

April 13, 1967

Mr. R. A. MacCaskill — Portland

A. L. Meyer — Portland

MONTHLY REPORT - MARCH 1967

1. Market Conditions and Pricing

The price advance for the western states which became effective March 13th proceeded according to plan without any complications and, like the earlier advance in the east, it brought in a good volume of business. Pressures for price protection on specific jobs was minimal, a great deal less than I had anticipated. No doubt there has been some 'assistance' given to dealers and contractors to ease the burden of the increase in hardship cases but as far as I am able to determine at this time, it must have been done in such a way as to avoid repercussions in the marketplace.

The price increase on sand dust materials appears to be holding firm.

Additional trucking areas have been opened by our competitors in Indiana and Kentucky, and more recently in the San Francisco Bay Area. We will endeavor to List these situations as best we can. From a service as well as a cost standpoint we may find it advantageous to set up a special arrangement with Distribution Division branches in these areas to enable them to handle these 42ms truckloads at published mill truckload prices. A trial arrangement of this type has just been initiated at the Denver branch to cover demands for truckloads in Colorado and in Laramie County, Wyoming.

So far our competition is charging a premium of about $3.00/M? over the 40/30M carload rail price for the delivery of 42M? truckloads. In most cases this covers most, if not all, of the added cost of transportation. The big problem is going to be one of service in markets where our competitors have the geographic advantage. On the other hand, that is just where our branches may be a big help.

As usual during a period of price advance, there have been relatively few reports of competitive problems in the marketplace. Those that we have received from the field have not been confirmed.

GS-1467

GEORGIA-PACIFIC CORPORATION

Washington

May 22, 1968

The Wickes Corporation
P. O. Box 2092
Saginaw, Michigan 48607

Attention: Department 824

Gentlemen:

The following information is supplied in response to the request of Mr. John V. Drum, Vice-President, Merchandising, Wickes Lumber & Building Supplies, relating to gypsum products during the year 1967:

(a) Freight Allowances

1. No allowance if shipped prepaid

2. Full freight allowed on straight or mixed carloads or truckloads if shipped collect.

(b) Freight Equalization

In setting our selling prices for any specific area or destination, we take into account competitive mills with respect to price and freight, so it is not necessary for us to make allowances for freight equalization on our invoices to you.

(c) Trade Discounts

There were no established trade discounts during 1967 on gypsum products. In areas where both rail carload and truckload shipments were available, there may have been

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W. G. C. - 6/1/70

61-1467

(c) price differentials between these two types of shipments as well as between mill carloads of various minimum weights. These differentials, if in effect, were reflected as specific prices and not as discounts from a list price.

(d) Cash Discounts

The attached schedule gives the details of our cash discount policy on gypsum products.

We hope that we have given you all the information you need, but if we can be of further assistance, please let us know.

Cordially yours,

A. L. Meyer
Director of Marketing Services
Gypsum Division

ALM/ef
enc.
bcc: Mr. R. A. McCaskill - [illegible]
Mr. R. D. Meyer - Cleveland, Ohio HC

61-1496

Division Headquarters
May 11, 1967

J. L. Wilson
Jacksonville District

GULF COAST BUILDING MATERIALS
SARASOTA, FLORIDA

This refers to your letter of May 3, requesting an allowance for Gulf Coast Building Materials - Sarasota, Florida.

While there have been isolated instances of major manufacturers offering an allowance, U. S. Gypsum and National have not been involved in any part of the country in making concessions. In view of the above, I do not wish to consider any allowance to this concern at this time. Should it be determined at a later date that concessions are being made by the aforementioned companies, then we will reconsider.

J. A. Morlan

63-1627

[illegible]

[illegible] Goldsboro Lumber October 25, 1960
Mechanicsburg, Pa. H. H. Atwell

cc: [illegible] Griffin
[illegible] P. Cummins

If we still have a chance to get some of the material on the Federal housing job at Mechanicsburg, Pennsylvania, we will be competitive with Kaiser Gypsum at the pre-September 18 prices less 2% and 5% and previous cash discount terms for the life of the job.

This isn't the normal type of job we include under our price protection, but it is the type of government job we feel we should be competitive on, and would like to hear from you if you still have a chance on this job.

We are at a loss to understand the fourth paragraph of your letter where you said, "it is the opinion of our major competition, following a three-day meeting in Binghamton, New York", etc. How do you know what the opinion of our major competitor is and what makes you believe there is here that September 30 will be a turning point to new prices to dealers in your district.

Since you are not authorized to contact competition, I have to assure you that this information through a dealer, but feel this paragraph certainly could be misunderstood.

H. H. Atwell

HHA

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63-1627

Gold Bond

NATIONAL GYPSUM COMPANY

Gold Bond

INTEROFFICE CORRESPONDENCE

To R. Atwell, V.P. Sales Subject:
Bldg. Prod. Division

Date September 27, 1960
From Harrisburg

cc: P. Cummins, Division Manager
Capital Division

It is the opinion of competition and myself that Bestwall (G.P.) will end their selling dealer accounts at the old price September 30, 1960. Although it is becoming obvious that most all mason supply accounts: Farm Feed and Coal, York, Pa., D. W. Houtz, State College, Pa., A. C. Budding Co., Harrisburg, Pa.; maintaining the accounts that have been buying trucks since September 15 at the old price less 5 plus 2; will be set up by Bestwall G.P. at 2-5's on the new price.

In addition they are expressing to the large wallboard accounts that they will be competitive with Kaiser and Flintcote when job protection is requested at the old price plus 5 and 5.

Goldsboro Lumber, Mechanicsburg, Pa., has received job protection from Kaiser and Flintcote and U.S.G. in process of requesting to be competitive for the Lebanon federal housing Apartments with approximately 325,000 SF of wallboard. Goldsboro currently buying all manufacturing G&P at flat less 2-5's, except GB (SX 2/22/61).

It is the opinion of our major competitor, following a three day meeting in Binghamton, New York, that Bestwall is the company to watch regarding discounts and job protection with hope that September 30, they will initiate the "new" price to the dealers in our district.

Regards,

Paul Eggert
District Manager

PE/jt

P.S. Boston Lbr. Co., Charles Lebo, a good GB friend, just called Dick Sellers of Kaiser Gypsum, 9:15 A.M. 9/27/60, questioning him on the gypsum wallboard prices, and I quote Dick Sellers: "Our price will go up October 1, 1960 with a possible extension to the 10th or 15th."

GS-1531

ATLANTIC-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE April 19, 1968

TO Mr. R. E. Sand — LOCATION Portland

FROM Stanley S. Dennison — LOCATION Atlanta

SUBJECT Southeastern Market - Week Ending April 20, 1968

There was a small upturn in volume at most branches this week. Profits held about even with last week.

MacMillan -Bloedel has their ASA stamp and were offering 5/8 CD Pine as low as $87 in the South Florida market. Apparently U. S. Plywood and one or two independents decided to meet this. Great Northern started up this week but I understand they don't have their stamp. Prices and profits should improve a little on sheathing as soon as these two new mills get on order file.

Gypsum price cutting has become more serious. We haven't lost any major customers but our customers have lost quite a few of their customers to their competitors. Some of National Gypsum's people are saying their merger with Binswanger has been approved. This would give National 36 jobbing and/or retail outlets. These outlets are in the Mid-Atlantic, Southeast and Southwest regions.

If business continues to accelerate during the last week of April we should end the month with good volume and profits.

Sincerely,

Stanley S. Dennison,
Regional Manager

SSD:bje

CC: Mr. Jake Berger
Mr. W. E. Hunt
Mr. F. V. Langfitt
Mr. K. A. McCaskill
Mr. H. S. Morsereau
Mr. Winston Purifoy
Mr. Glenn Wilcox
All Regional Managers

013912

Jack —
Will Sand
They do not
I anticipate there
will be some
Reluctance
APR 22 1968 Fr

GS-1535

AUG 29 1968

PORTLAND TO FR. W H HUNT FROM I FREDERICKS PAOLI

TRIED TO REACH YOU BY PHONE YESTERDAY AFTERNOON. WISHED TO DISCUSS THE ORLEANS AND A RATHER CRITICAL PROBLEM IN CONNECTION WITH NANCY SALES OF PLYWOOD.

SALES HAS DRAFTED A MESSAGE BELOW AS BASIS FOR OUR DISCUSSION. HAVE LEFT WORD FOR YOU TO CALL THIS MORNING.

W. I. F.

MESSAGE FROM K. A. MCCASKILL FOR W. H. HUNT AND R. E. SAND -

REFER VISITING TO HAROLD SAND ON JULY 22ND CONCERNING DISTRIBUTION DIVISION STOCK LIST PUBLICATION I FEEL THAT WE MUST NOT ONLY PROCEED WITH SAME, BUT FURTHER REGULATE PRICING AS WELL AS WAREHOUSE SALES TO A LIMITED EXTENT AS EXPLAINED BELOW.

I HAVE HERE TO LESS ALREADY COLLECTED SOME INCIDENTS WHICH ARE NOT GOOD [illegible] SHARP WATER FROM AGENT, BUT WHICH ARE QUITE IMPORTANT TO US AT THIS TIME.

[illegible] WHICH I AM SURE WE ALL EXPECTED, AND WHICH HAVE [illegible] HERE AS THE RESULT OF THE RECENT VERY SUCCESSFUL [illegible] MANY FACTORS BEARING UPON HIM THE DISTRIBUTORS' [illegible], PRICE RELATIONSHIPS AND THE COMPETITIVE REACTIONS TO SAME CAN RESULT IN EITHER POSITIVE OR NEGATIVE RESULTS FOR US.

IN ORDER TO PROVIDE YOU WITH THE NECESSARY BACKGROUND AND MY ATTEMPT TO CONSIDER AS MANY OF THE FACTORS AS POSSIBLE FOR EVALUATION PURPOSES, I AM PUTTING THIS DOWN SO THAT, AFTER RECEIVING IT WE CAN DISCUSS IT, AND [illegible] APPRAISE THE SITUATION FROM EVERY ANGLE THAT I CAN THINK OF AT THE PRESENT.

THERE IS A NON-RETAIL FACTOR DUE TO THE FACT THAT I FEEL VERY STRONGLY THAT SOME UNFAIR REACTION IS ABOUT TO TAKE PLACE SOON UNLESS WE OURSELVES TAKE CERTAIN STEPS AS OUTLINED HEREIN IN ORDER TO TRY AND LEAD THE REACTION IN A DIRECTION SO THAT IT WILL BE TO OUR ADVANTAGE.

[illegible] WOULD LIKELY YOU ARE ADVISING, AT THIS POINT, WHY INDUSTRY REACTION IS SO VITALLY IMPORTANT TO US. ESPECIALLY, WHEN THE PROGRESS OF BRANCHES STOCKING AND SELLING OFFSET IS JUST BEGINNING TO RESULT IN SUBSTANTIAL PLUS VOLUMES. ACTUALLY, THIS BUSINESS BEING TAKEN AWAY FROM OTHERS IS JUST WHAT WE PLANNED, AND JUST WHAT WE WANTED.

[illegible] IS NOT OUR INTENT FOR THIS PROGRESS TO CONTINUE, NO MATTER WHAT HAPPENS. HOWEVER, COMPETITION WILL CERTAINLY REACT AND WE WANT THAT REACTION TO BE COSTLY TO THEM, BUT NOT TO US. THAT IS, WE DON'T WANT HIM TO INSTALL COSTLY WAREHOUSES OR ESTABLISH EXPENSIVE STRUCTURES OF THEIR OWN RATHER THAN PRICE POSITIONING A LARGE SEGMENT OF THEIR PRESENT DEALER CUSTOMERS.

I CONSIDER STRONGLY FEEL THAT IF WE DO NOT IMMEDIATELY TAKE SOME ACTION, THE PRICE LEVELS WILL START TO TUMBLE AND OUR PROFITS IN PROPORTION. IN THE MEANTIME, WE ARE DEDICATED TO PRICE STABILITY FOR AS LONG AS POSSIBLE.

I FURTHER BELIEVE THAT THE ACTION WHICH I AM RECOMMENDING, PROPERLY CONVEYED TO THE BRANCHES, WILL RESULT IN SUPPORTING THIS STABILITY WITHOUT MATERIALLY IMPEDING THE PROGRESS THAT WE NOW HAVE UNDER WAY.

WE, IN [illegible]-PACIFIC, NOW HOLD A DEFINITE ADVANTAGE OVER THE OTHER MANUFACTURERS IN THAT WE ARE ESTABLISHING OUR BRANCHES TO PERFORM A WHOLESALE FUNCTION, AND IN SOME CASES A DEALER (RETAIL) FUNCTION. HOWEVER, IT IS BECOMING MORE EVIDENT DAILY THAT OUR COMPETITORS ARE GOING TO FIND THE WAY OR ANOTHER TO COUNTER THIS OBVIOUS ADVANTAGE. IT IS MY BELIEF THAT THE COMPETITIVE MOVES PROBABLY WILL BE MORE IN THE REALM OF DESTRUCTIVE PRICE POSITIONING ON A PROMISCUOUS BASIS THAN A CONSTRUCTIVE PROGRAM OF COMPETING WITH THE SAME SERVICE THAT THE BRANCHES ARE RENDERING, I.E., THE ESTABLISHMENT OF WAREHOUSES AND SALES FORCE PARTY, EITHER TO DEALERS ON A WHOLESALE BASIS OR TO TRADE FACTORS OTHER THAN DEALERS WHERE IF THEY MAY ELECT TO DO SO. IN OTHER WORDS, WHILE THE SAME THINGS AS WE DRIVE WOULD BE MUCH MORE DESIRABLE FROM OUR STANDPOINT THAN CUTTING THE PRICE.

[illegible], THERE IS CONFUSION AND HURRIED DELIBERATION TAKING PLACE
[illegible] THE COMMITMENTS OF OUR COMPETITORS. FROM ONE ANGLE THIS IS VERY
[illegible], BUT FROM A VERY SERIOUS ASPECT I FEAR VERY MUCH SO.
[illegible] REALLY KNOW WHAT WE ARE
[illegible]. THEY ARE CERTAINLY AWARE OF THE VERY SATISFACTORY AND, IN MANY
[illegible] RESPONSIVE SERVICE WE RENDER OUR DEALERS.

[illegible], WE HAVEN'T HAD ANY VIOLENT ONE OURSELF AND CERTAINLY THE BIGGEST
[illegible]. IN SPOKANE [illegible] AND RETAIL, RUNS AS HIGH AS
[illegible] ITSELF,
[illegible] THAT THE SAME PRESSURES ARE BEING APPLIED
TO OTHER CYPRUS MANUFACTURERS BY THE DEALERS WHO ARE BEING SOLICITED
BY OUR INVASION OF LOW-PERCENTAGE MARK-UPS OVER CARLOAD OR TRUCKLOAD
DEALER PRICES FOR DELIVERY OUT OF WAREHOUSE.

MY PROPOSAL IS THAT WE ISSUE A STANDARD POLICY IMMEDIATELY WHICH CAN BE
MADE AVAILABLE FOR EVERYONE INVOLVED. THE COMPETITION SHOULD THEN HAVE
A CHANCE TO OBJECTIVELY EVALUATE AND CALCULATE THEIR NEXT MOVE WHILE AT
THE SAME TIME, RESIST THE TEMPTATION TO CUT PRICES OR INSTALL UNTENABLE
DISCOUNTS TO DEALERS.

THIS PROPOSAL IS CERTAINLY QUITE CONTRARY TO THE SPOKANE PRICING AUTHO-
[illegible] OF WOOD PRODUCTS WHICH HAS PROVEN SO SUCCESSFUL. HOWEVER,
WHAT WE ARE TRYING TO PREVENT HERE (SLIDING PRICES) IS THE VERY BASIS
FOR THE PURPOSE OF WOOD PRODUCTS PRICING AUTHORITY. SO FAR SINCE DECEM-
BER OUR LIST PRICES HAVE BEEN STABLE OR MOVING UPWARD, SO THERE HAS
BEEN NO NECESSITY TO MODIFY OR PLAY THE COMMODITY BUYING AND SELLING GAME
HAVE OUR STOCKING AGAINST AN INCREASE. WE WANT TO KEEP IT THAT WAY!
OR AT LEAST MOVING UPWARD - FOR AS LONG AS WE CAN.

[illegible]. I BELIEVE THERE ARE REASONS WHY DETAILS BE KEPT
[illegible]

1. [illegible] INTERNALLY PUBLISH TO BRANCHES AND STUDY THROUGH A PLANT
[illegible] REASONABLE MINIMUM APPROPRIATE MARGIN MINIMUM POLICY FIGU-
[illegible] OF BRANCHES ETC.

2. [illegible] INTERNALLY PUBLISH OUR BRANCH POLICIES [illegible] THEY ARE
[illegible] OF MORAL RIGHT.

3. [illegible] INTERNALLY PUBLISH THAT ALL SALES SOLICITATION AGENCY
[illegible] AND ITS AND SPECIAL SALES EFFORTS, SUCH AS A REPRESENTATIVE OF
[illegible] POLICY FOR THE PURPOSE OF [illegible].

[illegible] OF THE ATTACHED MEMO I FEEL SHOULD BE ISSUED BY HAROLD, OR IF
[illegible], BY MYSELF, AND THAT IN TURN MYSELF AND ASSOCIATES SUPERVISED
BY HIM. IT WOULD THEN HAVE FULL SUPPORT OF MANAGEMENT BEHIND IT.

3. [illegible] SPECIAL TRUCKLOAD OR CARLOAD [illegible] FROM OUR WAREHOUSE STOCK TO
[illegible] A REGULARLY MARKED [illegible] OF LESS THAN AN ENTIRE
[illegible] ESTABLISHING MINIMUM PRICE POLICY AND [illegible]
[illegible] SPECIAL DELIVERED PRICES F.O.B. OUR SPOKANE WAREHOUSE.
[illegible] A SPECIAL [illegible] A PRICE [illegible] IS ALWAYS BY
[illegible], [illegible] PRICES TO COVER [illegible] COSTS OF
[illegible], [illegible] WHICH IS NORMALLY PAID
[illegible] WHEN TO EXPECT [illegible].

4. [illegible] IS BASED [illegible] FROM OUR [illegible] RATES TO
[illegible] THAT OUR DEALERS JUST RECEIVE A [illegible] OVER
[illegible] ESTABLISHED [illegible] PAYMENT FOR [illegible] AT
[illegible] WHEN THE FREIGHT HAS THE [illegible] OF
[illegible], [illegible] IS [illegible],

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GX-1536

Paoli, Pennsylvania

August 8, 1966

TO:
All Georgia-Pacific Regional Managers

CC:
Mr. H. H. Sand - Portland
Mr. H. H. Powers - Paoli
Mr. A. L. Mayer - Paoli
All Bestwall Regional Managers

SUBJECT: DISTRIBUTION DIVISION/
BESTWALL PRICING POLICY

BY: K. A. McCaskill - sh

As the result of talking with each of you we are asking you to accept the following points as a basis for the internal establishment of a Gypsum Merchandising and Pricing policy via your respective Branches.

1. Any Branch resale of gypsum products from its warehouse stock to a recognized dealer must be marked up not less than 5% above Bestwall Division's established dealer carload (or truckloads in markets where applicable) prices F.O.B. the Branch warehouse. Where delivery services are offered a premium must be added to the F.O.B. warehouse prices to cover the reasonable costs of handling and delivery. Exceptions must be cleared through Distribution Division Regional Manager prior to taking contrary action.

2. Any Branch resale of gypsum products from its warehouse stock to Trade Factors other than dealers must reflect a mark-up over Bestwall Division's established dealer carload (or truckload as the case may be) prices commensurate with the mark-ups of competitive dealers in the Branch marketing area. (No different from what we are now doing.)

3. Direct mill shipments of carload and/or truckload quantities to dealers will be governed solely by the prices, terms and conditions of sale set forth in the Bestwall Dealer Price List and Merchandising Plan in effect at time of shipment. Any

deviations from these prices or policies to meet competition must be approved by the Bestwall Division in Paoli in accordance with established procedures prior to acceptance of an order.

The only deviation from policy now employed is involved in No. 1 above. It is true that the mark-up in almost all locations is considerably above the 5% minimum, and I am sure that we intend to maintain that level insofar as we can.

As explained to each of you, it is felt that this publication of policy, which to a large degree is simply a restatement of what we have been doing, will result in competition's management having the basis of a judgement determination prior to making any price moves which would precipitate subsequent and destructive tumbling of prices as we became involved in over a year ago.

I personally appreciate your cooperation and understanding for the progress and Branch contributions to this point have been most gratifying.

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61-1538

2124

UNITED STATES GYPSUM COMPANY

September 19, 1962

TO OUR DEALER CUSTOMERS in El Paso County, Texas:

We wish to announce that the operation of United States Gypsum Company's SHEETROCK Wallboard Warehouse in El Paso, Texas will be discontinued after the close of business on September 29, 1962.

During the interim period, orders for truck shipments from U.S.G.'s Warehouse will be made, but subject to availability of sizes and lengths of board products remaining stock. Our local representatives can supply you with information regarding the sizes and quantities you may require.

On and after October 1, 1962, all shipments of gypsum products will be made in rail cars direct from our Sweetwater, Texas Plant.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C.J.S

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61-1728

GEORGIA-PACIFIC CORPORATION

GYPSUM DIVISION

August 11, 1966

Mr. Loren D. Olsen,
General Traffic Manager,
Kaiser Gypsum Company
300 Lakeside Drive,
Oakland, California 946..

Dear Loren:

Just recently, we heard from one of our plant managers who had occasion to visit several of our accounts. One of the accounts which he visited was the Foster Lumber Company in the Broomfield, Colorado, market. While there, he noted some Kaiser Gypsum Company's wallboard that was in stock had 1/4" full sheets of wallboard covering each lift as an added protection to the loads. This particular account states that Kaiser is now shipping his material with this added protection for his convenience and cannot understand why we will not furnish him with the same type of shipment. As you know, the Materials Handling Committee has tried to minimize the use of dunnage on wallboard shipments. We were wondering whether it is your intent to continue to make shipments such as these into this area. We are hoping that you discontinue this practice so that we will not be forced into this same type of package for competitive reasons.

We have also received a field investigation report in the Los Angeles market from our field representative. The report indicates that your company is shipping wallboard in units with the elevators banded together with the individual lifts. There were two accounts specifically where we found this type of package. One was at Dependable Building Materials, shipped from your plant on July 11, 1966. The other was at Specialty Contractors in Los Angeles. Our representative was informed by the superintendent of Specialty Contractors that all of their board is handled in this manner, and you have been shipping material such as this for a considerably long time. As you know, we have until this time, resisted our sales people in making this type of shipment to these accounts. As I recall, during the September Materials Handling Committee Meeting, mention was made of shipments such as this and the Materials Handling Committee was going to discourage this type of a wallboard package. We are wondering whether you are going to continue to ship in this manner in this area. If you are, you will force us to accommodate these customers in this same manner as we can do so

GX-1728

deny our as/as organization this request as long as you continue to ship in this manner

We are hoping that you will look into this situation and give this matter some attention so that we can discuss these board problems in packaging which exist on the West Coast, during the scheduled October Materials Handling Committee Meeting. In the meantime, we would appreciate hearing from you regarding this situation.

Very truly yours,

John DiLorenzo,
Chief Engineer

JDi:ph

cc: Mr. A. Victor Ahnse, Gypsum Association
Mr. F. C. Dennerman, National Gypsum Company

GX-1729

GX 1729

KAISER GYPSUM COMPANY, INC.

OAKLAND 12, CALIFORNIA

August 19, 1966

Mr. John DiLorenzo, Chief Engineer
Georgia-Pacific Corporation
2 Industrial Boulevard
Paoli, Pennsylvania 19301

Thank you for your letter of August 11, reporting cases of excessive use of dunnage in the Colorado market and straying of shippers in Southern California by our company.

I was unaware of the Colorado situation and have taken this up with our sales and operating people. I will be in a position to report on this at our October meeting.

The heading of shippers in the Southern California market has been going on for some time and is a practice being followed by most of the companies marketing board in that area. I think we are all resisting this trend and plan to discuss this matter in detail at a west coast task force meeting in Los Angeles on September 1st. Your company will be represented at this meeting by John King. Likewise, I will report on this subject at the October meeting.

Best regards.

LOREN D. OLSEN, GENERAL TRAFFIC MANAGER

LDO/mjb

CC: Mr. A. V. Ahnse, Secretary-General Manager, Gypsum Association, 201 North Wells Street, Chicago, Illinois 60606
Mr. F. C. Dennerman, Manager, Materials Handling, National Gypsum Company, 325 Delaware Avenue, Buffalo, New York 14202

NG 280114

GI-1797

KAISER GYPSUM COMPANY, INC

KAISER CENTER · 300 LAKESIDE DRIVE — OAKLAND 12, CALIFORNIA

August 30, 1966

Mr. John DiLorenzo, Chief Engineer
Georgia-Pacific Corporation
2 Industrial Boulevard
Peoli, Pennsylvania 19301

Again referring to your letter of August 11 regarding a report of excessive dunnage in the Colorado market. I have handled this matter with our southwestern sales and operating people who tell me they are discontinuing immediately the practice of using 1/4" dunnage as protection on loads.

The strapping of elevators in Southern California will, as I indicated, be discussed at our task force meeting there this week and I will report on this situation at the fall meeting if not sooner.

Loren Olsen

LOREN D. OLSEN, GENERAL TRAFFIC MANAGER

LDO/mjm

CC: Mr. A. V. Ahnse, Secretary-General Manager, Gypsum Association, 201 North Wells Street, Chicago, Illinois 60606
Mr. F. C. Domeracki, Manager, Materials Handling, National Gypsum Company, 325 Delaware Avenue, Buffalo, New York 14202

GI-1798

Ogden White..

Arizona re
the Supreme Court decision
Extra sheet
each bundle?
recent occurrence
pictures from this art.
all material in wall

CX 1799

White
&
Kam
11/1

Foil Board - Phoenix Area

BW are putting 16 extra
pieces/car; Some plts.
No charge; May be damage
but no to blame.

Most orders in good
order and is being sold
as fast as they arrive!

Hayes Oct 11
Ken Clinton 11/1

CX 1800

GEORGIA-PACIFIC

DEPARTMENTAL COMMUNICATION

DATE: November 3, 1966

TO: Mr. A. L. Meyer — LOCATION: Pauli

FROM: E. U. Brown — LOCATION: Ames

SUBJECT: Foil Board to Phoenix

247

This has reference to your telephone call the other day wherein you advised you had heard from competition that we were sending extra boards along with flat car loads of foil to Phoenix customers. We have been using a dunnage board on the bottom of the lifts of foil to hold the wrapping paper up on the bottom package. This is dunnage board, however, but it does serve to keep the paper up tight against the package and precludes any damage that may occur at the unloading point and also upon loading of the forks damaging the bottom package. After discussing this with our people here, we have decided to try to hold this paper up tight on the bottom package with strips of pressure sensitive tape. We believe this will take care of the problem.

E. U. B.

EUB:cm

1015

DOCUMENT NO. 5
W. R. C. — 6/1/72

BEST COPY AVAILABLE

Alaska Seiner Report 11/4/66

National uses a full sheet of dunnage board (not folded under each fish to protect the fish. Dunnage board is published as it can not be sold as board

DOCUMENT NO. 8 Large
W.E.C. — 6/1/72

F/O 11/21 —

Role will have photo
corderence as Paoli 11/21
showing fail board as
dunnage (and corrugated foil)
on a recent Ship read by
National to Phoenix.

Advise Ken Brown decision — 033173
please Continue as before until Cleared

DOCUMENT NO. 8 Large
W.E.C. — 6/1/72

GX-1803

(11/11 A Sikes to Mole - unable to?

Mole's Rep 4/5 the Says
BR meeting additional bump subject
of foil under $60M limit

JOHN PAOLI

JOHN SLOUTAH

TO K V BROWN - ACME FROM W S MOLE - WESTERN REGION 11-9-66

CC: A L MEYER
R SIKES
ED WARNER
GEO SEIVERT
R SCHMIDT

RE TWX ON FOIL DUNNAGE BOARD

Don't have it! Tony Mole Sikes will Hand Other to

PLEASE REFER TO COMPETITIVE REPORT INTRODUCED BY PHOENIX GEORGIA-PACIFIC BRANCH - PLEASE DO NOT CHANGE FOIL DUNNAGE UNTIL SUCH TIME AS IT IS PROVEN THIS IS NO LONGER A COMPETITIVE SITUATION. I WILL CONTACT PHOENIX AND WILL NOTIFY YOU AND PAOLI SALES AS SOON AS I RETURN TO SALT LAKE.
IN THE MEANTIME DO NOT REVOKE THE BONA-FIDE COMPETITIVE [illegible] AND FORCE US TO LOSE A VALUABLE CUSTOMER.

GA OR END

DOCUMENT NO. & 10868
W.C.C. - 8/1/72

083178

GX-1804

Ah.

This was Taken by Hart Seivert last Friday 11-4-66 - a X
United Wholesale Phoenix X

TALKED TO R.A. Sikes
WAS DOCUMENT NO. & 10868
W.C.C. - 8/1/72

N. Starke
083171

GX-1804

Eastern Fail

DOCUMENT NO. S-14495
W.E.C. — 6/1/72

United Wholesale Distributors

National Eastern Co.

Note:
This is Heinemann-style
of wrapping. Like ours

C-1-72

GX 1815

KAISER GYPSUM COMPANY, INC.

INTER-OFFICE MEMORANDUM

RECEIVED JAN 20 1966

To R. C. Crowle
At

Date January 10, 1966
From Loren D. Olsen
At

Copies to

Subject

45

On December 28 you asked if I could develop some information regarding rail car and truck loading and packaging practices now being followed by East Coast gypsum companies.

I asked National Gypsum Company and U. S. Gypsum Company certain questions regarding these practices on the East Coast and I now have a reply from National. Attached is copy of National's reply together with their Bulletin #202 which they mention. As soon as I receive a reply from USG I will let you know.

After you have had a chance to review this perhaps we should get together and formulate some similar instructions for the eastern sales people.

LDO/ajn

Attachment

GX 1816

46

NATIONAL GYPSUM COMPANY

EXECUTIVE OFFICES - GOLD BOND BUILDING - BUFFALO, NEW YORK 14202

January 3, 1966

Mr. Loren D. Olsen
General Traffic Manager
KAISER GYPSUM COMPANY, INC.
300 Lakeside Drive
Oakland 12, California

Dear Mr. Olsen:

In response to your request for information on loading procedures used in the eastern markets, the following would be some of the practices that have been in effect for a number of years in this area.

(1) We will not strap supports to units of board except when necessary to be competitive. The only markets where we have been forced to strap supports to units are on the West Coast, a few points in Texas and in New Mexico. It has been necessary to strap supports to units of lath to a few customers in the Florida area and to customers in the Detroit market.

At times it has been necessary to strap units of board on high rise jobs, but there have been only one or two cases where it was necessary to strap the sleuters to the units.

(2) When requested, we will strap the ends of 12' or longer board. We will not strap shorter length board except to be competitive, and there are very few exceptions to this policy.

(3) Lath will not be placed on pallets.

(4) Bagged goods are palletized in the Washington, Baltimore, Philadelphia, New York, New Haven, Boston and Detroit markets and in a few points in the Florida area.

Company pallets are used in the Washington, Baltimore, Philadelphia, New York markets. Customer pallets are used in Boston, Detroit and Florida markets.

(5) Steel straps are not used to secure truck shipments except from our National City plant. Truckers supply rope, chain or binders to secure the loads.

(6) Bagged goods are not palletized in box car shipments.

I am attaching a copy of our Bulletin No. 202, which outlines standard loading practices for gypsum products. At any time, if you find that there are exceptions being made to these policies, we would appreciate your advising us.

IK1224

Mr. Loren D. Olsen
January 3, 1966
Page -2-

If there is any additional information that we can furnish you, please write.

Very truly yours,

NATIONAL GYPSUM COMPANY

F. C. Kingeter, Manager
Materials Handling

FCK/sg

Attachment

cc: Mr. R. R. Dooley
UNITED STATES GYPSUM COMPANY
101 South Wacker Drive
Chicago, Illinois 60606

TO: ALL DEALER SALESMEN, DIVISION MANAGERS, DISTRICT MANAGERS, DISTRICT OFFICES, GYPSUM PLANT MANAGERS AND SALES ORDER SUPERVISORS, MATERIAL HANDLING DEPARTMENT (6), BFLO, GFC.

DATE JANUARY 1, 1965

Gold Bond Bulletin

SUBJECT: STANDARD LOADING PRACTICES FOR GYPSUM PRODUCTS

INDEX: GYPSUM PRODUCTS POLICY

BULLETIN NO. 202

FROM: SALES ADMINISTRATION - GYPSUM - BFLO. BUFFALO DEPT.

CANCELS: BULLETIN NO. 202, DATED 6/20/61

The following standard loading practices have been formulated to provide uniform methods of loading gypsum board products in closed cars, flatcars and trucks.

Any deviations from these standards must be approved by the Sales Administration Department in Buffalo. Approved exceptions are specifically covered on Customer Requirements Forms, or by supplements to our Price Book.

STANDARD PROCEDURES

(1) Customer Requirement Forms (BG 3540) must be completed for all customers requesting shipments that are to be mechanically unloaded. These must be approved by Buffalo Transportation Department before any plant can honor such request.

(2) All the gypsum plants are provided with loading specifications on securing, stowing and blocking boxcar, flatcar and truck shipments. These specifications will minimize damage and conform with mandatory rules of the carriers.

(3) Refer to attached specifications for standard units that will be loaded on flatcars and boxcars. When customer's fork-lift equipment does not have the capacity to handle standard units, smaller units may be ordered .... BUT NOT LESS THAN 2000 LBS. PER UNIT.

(4) Lath units will be 4 X 4 and interlocked by criss-crossing bundles - (except in the West Coast area).

(5) Board products or bagged goods will not be placed on pallets, except as outlined in other publications. Palletizing means the use of wooden or fibreboard pallets.

(6) Pyramid Loading or house units - will not be used. This method is where the longer boards are loaded on top of the shorter material, or the material is loaded into two or more units, each unit contains various lengths and thicknesses of board products. Examples:

4 bdls. 1/2" - 12 ft. long
4 bdls. 3/8" - 8 ft. long
4 bdls. 1/2" - 8 ft. long

UNITIZING

(1) Units of board or lath will normally not be taped or banded. Upon specific request of customers we will tape or band board products 12' or longer with one tie on each end of the board. The plant will secure the units with material that is available (reinforced tape, nylon strap, cord strapping, etc.) Steel strapping will not be used unless specifically requested and approved by the district manager on the order.

DUNNAGE AND/OR SUPPORTS

(1) Where possible, bundles of lath (charge to customers) should be specified for use as risers. Dunnage supports will be 4' long, and a minimum width of 4" and a maximum of 6". The supports will be 3" high. If the units are less than 2500#, the supports will be 2-1/2" high.

(2) When specifically requested and approved by the district sales manager, we will provide supports up to a maximum height of 4" to be competitive. Any requests for supports higher than 4" must be approved by Sales Administration.

(3) Supports will not be banded or secured to the units.

(4) The standard number of supports will be as follows:

Board Lengths	Number of Supports Width of Dunnage 6"	4"
6', 7', 8'	3	4
9', 10', 11'	4	5
12', 13', 14'	5	6
15', 16'	6	7

(5) Individual supports will not be banded or tied. The supports will be nailed to the floor to restrict shuffling.

(6) Full sheets of dunnage (larger than 4'x4') will not be used in protecting flatcars, boxcars or truckloads. Where material is stacked on car floors for hand unloading 6" wide strips will be used between the board and the floor. No dunnage will be used on top of units.

(7) Lath will not be loaded for hand truck unloading (California style) when shipments are made on flatcars (except in West Coast which is covered in Special Loading Procedures).

(8) Units of board products will be separated with 24" wide paper pads, consisting of four thicknesses of car liner paper.

(9) If necessary, one layer of car liner paper, either greyback or sheathing, will be used either on top, or under the poly cover for additional weather protection.

(10) The dunnage strips placed under the steel strapping used for securements will be a minimum of 4" and a maximum of 6" wide, except the ties near the bulkheads, where wider strips may be necessary to properly secure the tarps.

TOP LOADING

Numerous items are available for toploading on shipments of gypsum from most of our plants. Your Price Book will list the specific items available at each plant. Such items may only be included if the car or truck equipment has the capacity to handle the additional loading. We will NEVER reduce the minimum weight requirements of gypsum on a load to make room for topload items.

Many flat cars and trucks cannot physically carry more than the minimum gypsum requirements, automatically excluding any possibility of toploading. This is particularly true on minimum 90M Lb. flatcar loads.

FLAT CARS may only include the following items:

We will only permit toploading of Joint Treatment items and Cush-N-Clips. Asbestos-cement Flat Sheets, Economy "250", and Soffit Panels may be included, provided they are at least 48" in one direction.

Asbestos siding may be toploaded on flatcars provided there is a maximum of 120 squares. The orders should specify which colors may be increased or decreased up to four squares so that it will provide a level flatcar load. Metal and corner bead may be toploaded provided the maximum number of bundles will not exceed eight to ten containers of corner bead. If the two products are mixed, it should be limited to four bundles of metal lath and four containers of corner bead.

FLATCAR LOADING

(1) All orders for shipment on flatcars must be for at least 75,000 Lbs. (pricing weight) of gypsum board machine products. District sales managers may approve orders for less than 75,000 Lbs., but never less than 70,000 Lbs. Orders entered at the plant must specify such approval.

(2) Bagged goods are NOT permitted to be loaded on flatcars.

(3) Stopovers are NOT permitted on flatcar shipments.

(4) Pool-car orders for shipment on flatcars are not to be encouraged. Where necessary to be competitive, we will accept such orders PROVIDED the salesman will be present during the unloading to insure against weather damage and pilferage after first customer uncovers the load.

BOXCAR LOADING

(1) Board products may be loaded in boxcars for mechanical unloading. Eight foot long, or shorter material will be loaded crosswise in the ends of the car. Material longer than eight feet will be loaded close to the doorway area. Material over nine feet will be loaded in the doorway area.

(2) In boxcars the board products will always be loaded in the ends of the car and the bagged goods will be placed in the center near the car doors.

STANDARD LOADING UNITS FOR ALL
GYPSUM BOARD MACHINE PRODUCTS

The following standard size units permit level loading of cars that contain more than one thickness of board. Loads that are not level are generally considered unsafe, and are very susceptible to damage.

- FLAT CARS -			
ALL PLANTS			
GYPSUM PRODUCTS	FULL STACKS	ONE-HALF STACKS	ONE-THIRD STACKS
1/4" Wallboard (5' thru 16')	120 Bdls.	60 Bdls.	40 Bdls.
3/8" Wallboard (5' thru 16')	80 Bdls.	40 Bdls.	27 Bdls.
1/2" Wallboard (5' thru 16')	60 Bdls.	30 Bdls.	20 Bdls.
5/8" Wallboard (5' thru 16')	48 Bdls.	24 Bdls.	16 Bdls.
3/8" Lath (16" x 48")	81 Bdls.	39 or 42 Bdls.	--
1/2" Lath (16" x 48")	90 Bdls.	45 or 48 Bdls.	--
1/2" Sheathing (2' x 8')	120 Bdls. (2 stacks of 60 bdls. each)	60 Bdls. (2 stacks of 30 bdls. each)	40 Bdls. (2 stacks of 20 bdls. each)

- BOX CARS -		
	FOR FORK UNLOADING	FOR HAND TRUCK UNLOADING
Lath	60 - 69 Bdls.	20 - 23 Bdls.
Wallboard and Sheathing	See "Boxcar Loading" in this Bulletin Use same unit sizes as shown for flatcar	

UNIT SIZES FOR BOOM TRUCKS

3/8"	8' to 12'	20 Bundles
	14' & 16'	16 Bundles
1/2"	8' to 12'	15 Bundles
	14' & 16'	12 Bundles

GX 1817

UNITED STATES GYPSUM COMPANY

101 SOUTH WACKER DRIVE CHICAGO • ILLINOIS 60606

47

January 7, 1966

Mr. Loren D. Olsen
General Traffic Manager
Kaiser Gypsum Company, Inc.
Kaiser Center
300 Lakeside Drive
Oakland 12, California

Dear Loren:

This relates to your letter of December 28 to Mr. Dooley concerning shipment procedures within the area which would be served by your new plant at Delanco, New Jersey. Evidently, you sent a similar letter to Mr. Dansereau as he has sent a copy of his answer to Mr. Dooley.

Generally, our shipment procedures duplicate those covered by Mr. Dansereau, but I wish to elaborate on some of the procedures and perhaps add one or two that have not been mentioned.

1. Our general policy is that we do not band supports to units of board except when necessary to be competitive. So far, we had not had to do this for board products going into dealer stock, but we have attached some dividers to board units which were set up for hoisting on high rise jobs. This has been confined to the Philadelphia area and where we have had to do it, the divider at the end of the unit has been attached. My usage of the board terminology in this section relates to wallboard products and not to lath.

2. In the Northeastern States, we end band 12 ft. board and longer in modular units and have done this as a general practice for several years. The end banding of short length board has been confined to products which were to be hoisted on high rise structures.

3. Lath products are not palletized. Most of our lath is shipped unitized but not banded. We have done some center banding of 4 x 4 units of lath for delivery on high rise buildings, but we do not make a practice of banding dividers to lath units in a manner similar to that used on the West Coast and in Florida.

4. Our shipment procedures for bagged goods are basically the same

Mr. Loren D. Olsen
Page 2

January 7, 1966

as indicated by Mr. Dansereau. We don't ship palletized bagged goods to dealers via box car. We do ship some palletized industrial plasters via box car, but have an upcharge to recover the palletizing expense. Most of our Eastern plants are served by contract truckers and these truckers do their own covering and load securement. Where common carrier movements are involved, we will provide the load securement.

Our plants are governed by a series of operating bulletins covering all aspects of loading. The plants are not at liberty to make exceptions to the general shipment procedures except where such procedures are reviewed and approved by the Chicago Service Department. Compared to West Coast requirements for special loadings, I think you will find the Northeastern States to be relatively free of unusual unitizing and loading requests. Most of the exceptions involve large projects, usually high rise jobs.

We can provide additional details as you require them.

Yours very truly,

UNITED STATES GYPSUM COMPANY

J B Roberts

J. B. Roberts, Manager
Service Engineering

JBR*EGC

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GX 1818

KAISER GYPSUM COMPANY, INC.

INTER-OFFICE MEMORANDUM

RECEIVED JAN 31 1966

To J. J. Hague
At E. H. Schaper

Date January 28, 1966
From Loren D. Olsen
At

Copies to R. A. Costa
R. C. Crowle

Subject MID-ATLANTIC AREA RAIL AND TRUCK LOADING PRACTICES.

We have concluded a rather extensive study of competitive loading practices in the mid-Atlantic area. Reports were received from R. H. James and E. A. Millis. I secured from USG and National outlines of their loading procedures.

In our analysis of these reports we find shipment procedure of USG and National are almost identical. Observation by James and Millis indicate there apparently is some latitude in these prescribed loading techniques depending on destination area and customer requirements.

From these reports we have formulated the following Traffic Department recommendations as to basic loading procedures for rail and truck shipments from the Delanco plant.

I. Wallboard Products (Does not include lath).

(a) Supports will not be banded to units of wallboard. (District sales managers may approve deviations when necessary to be competitive - generally supports may be banded to units for hoisting to high rise jobs.)

(b) We will end band 12 foot board and longer. End banding of short length board will be confined to products which are to be hoisted on high rise structures.

(c) Board products will not be placed on pallets. Palletising means the use of wooden or fibreboard pallets.

II. Bagged Goods.

(a) Bagged goods will be palletized without banding on company-owned pallets for truck shipments.

Dick Crowle and I are conducting further study on palletizing practices. Complete report and recommendations will be made in due course.

(b) Bagged goods will not be palletized in boxcar shipments. (Understand there is some palletizing of industrial plaster via boxcar at an upcharge.)

Willis
Check competitive practice of delivery in metropolitan 1K12.34

IV. Dunnage.

(a) Follow as closely as possible dunnage recommendations of the Gypsum Association.

1. Spacers or dividers should be 4' long with a minimum of 4" and a maximum of 6" in width. The supports should be 3" high. Ideal spacers are 4" wide, 3" high.

2. Supports will not be banded or secured to the units.

3. Full sheets of dunnage (larger than 4' x 4') will not be used in protecting flatcars, boxcars or truckloads. Units of board products will be separated with paper pads.

4. No dunnage will be used on top of units. If necessary, one layer of car liner paper will be used either on top, or under the poly cover for additional weather protection.

5. The dunnage strips placed under the steel strapping used for securements will be a minimum of 4" and a maximum of 6" wide, except the ties near the bulkheads, where wider strips may be necessary to properly secure the covering material.

V. Covering Material

(a) Rail Cars - Vinyl - sisal-kraft.

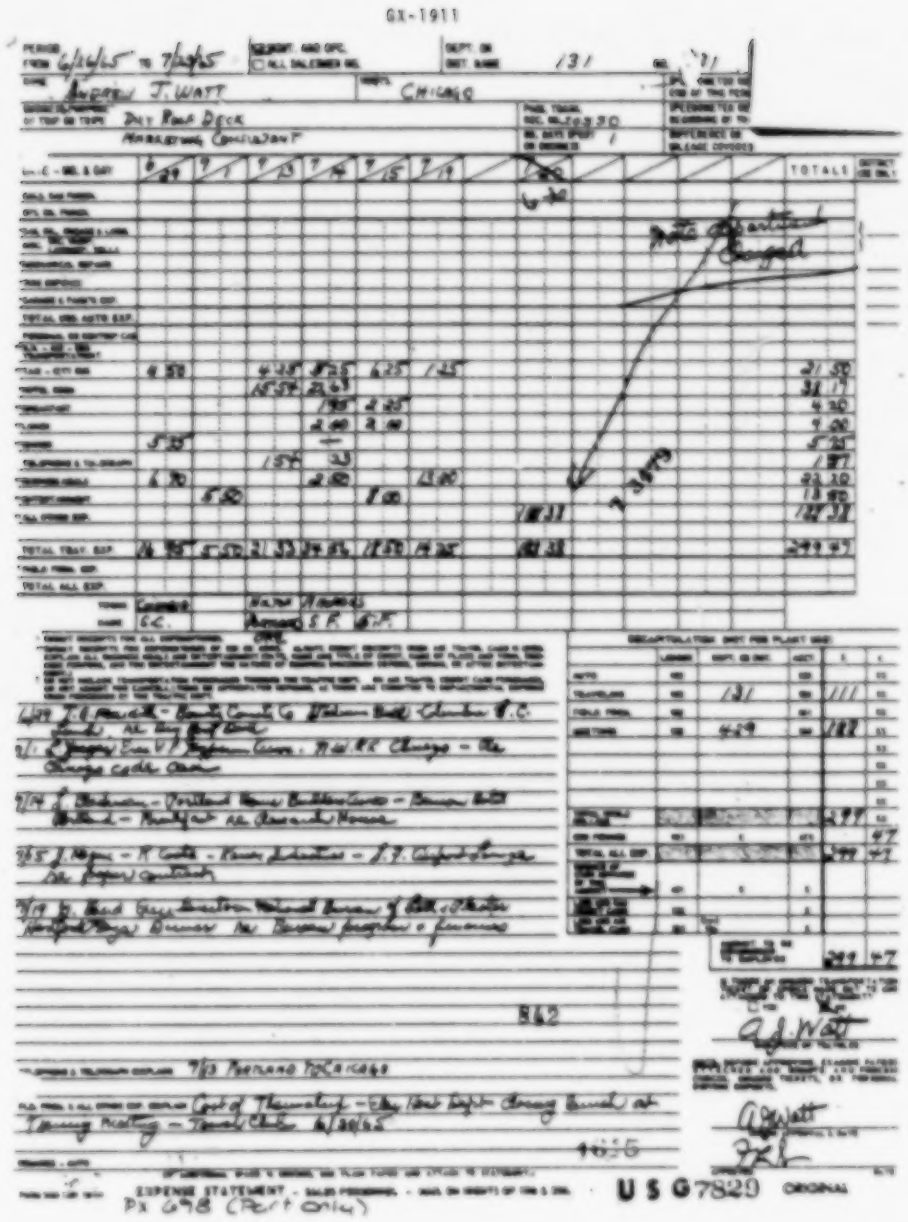
(b) Truck - Contract carriers to furnish own tarps.

VI. Top Loading.

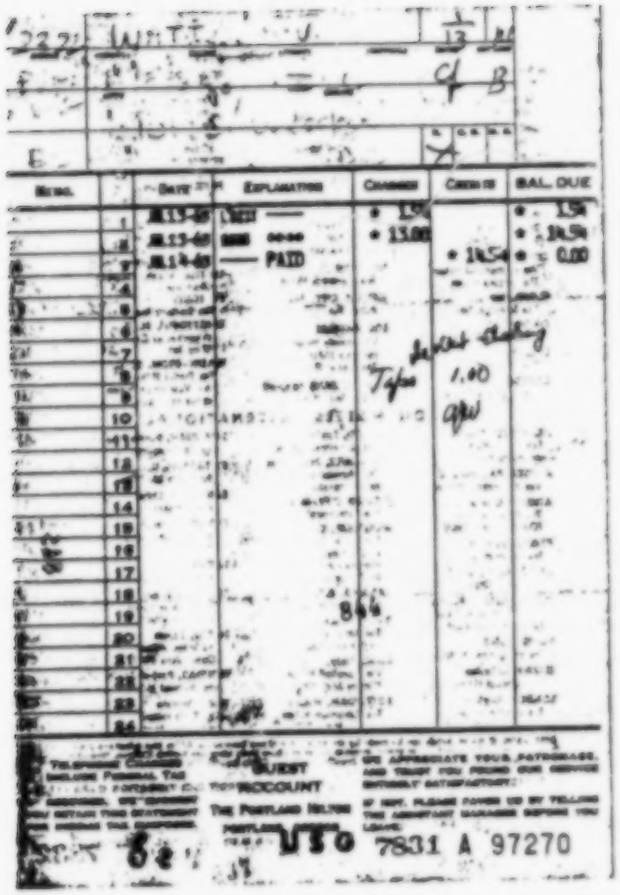
While it is not the best practice to top load bag goods on flatcar shipments it appears it is being done in Delanco's marketing area. We should keep in mind that we will never reduce the minimum weight requirements of gypsum products on a load to make room for topload items.

Again, these are Traffic Department recommendations. I will be glad to discuss with you any changes you feel are necessary.

LDB/ujn



GX-1911



MEMO.		DATE	EXPLANATION	CHARGES	CREDITS	BAL. DUE
	1	JR 13-65	[illegible]	1.54		1.54
	2	JR 13-65	[illegible]	13.00		14.54
	3	JR 14-65	PAID		14.54	0.00
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
	13					
	14					
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	16					
	17					
	18					
	19					
	20					
	21					
	22					
	23					
	24					

Tax 1.00 deduct standing

Tax 1.00 Opw

866

GUEST ACCOUNT

THE PORTLAND HILTON

USO 7831 A 97270

GX-1911

609 WATT, A.J, 1-21.00 .63
7/14 143 S. FERNANDEZ AVE. 7/15
MR ARLINGTON HEIGHTS, ILL.

STATEMENT
HOTEL Mark Hopkins
NOB HILL · SAN FRANCISCO

MEMO.		DATE	EXPLANATION	CHARGES	CREDITS	BAL. DUE
	1	[illegible]	[illegible]	[illegible]		[illegible]
	2	JR 14-65	[illegible]	0.23		0.23
	3	JR 14-65	[illegible]	21.00		
	4	JR 14-65	[illegible]	0.63		2586
	5					349
	6					
	7					935
	8					
	9					
	10					
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	21					
	22					
	23					
	24					

Tax 1.00 deduct

Opw

PAID
MARK HOPKINS HOTEL

866

USG 7833

A 15438

Mark Hopkins

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GX-1911
STATEMENT

The Tower Club
30 NORTH WACKER DRIVE
CHICAGO, ILLINOIS 60606

RECEIVED PAYMENT
JUL 13 1965
THE TOWER CLUB

Mr. Andrew J. Watt
143 S. Fernandes Ave.
Arlington Heights, Ill.

429-560

848

20331

The Tower Club
Chicago

No 8809 Invoice

JUN 30 1965

2 Cocktails	1.00
Soup	
Roast Beef	
Baked Potato	
Tossed Salad	
	10.00
4% Sales Tax	.40
15% Service Charge	1.50
Total	11.90

Signature

USG 7835

GX-1911
STATEMENT

The Tower Club
30 NORTH WACKER DRIVE
CHICAGO, ILLINOIS 60606

RECEIVED PAYMENT
JUL 13 1965
THE TOWER CLUB

Mr. Andrew J. Watt
143 S. Fernandes Ave.
Arlington Heights, Ill.

429-560

8-5-
850

20331

The Tower Club
Chicago

No 8809

JUN 30 1965

2 Cocktails	
Soup	
Roast Beef	
Baked Potato	
Tossed Salad	
4% Sales Tax	.40
15% Service Charge	1.50
Total	11.90

Signature

USG 7837

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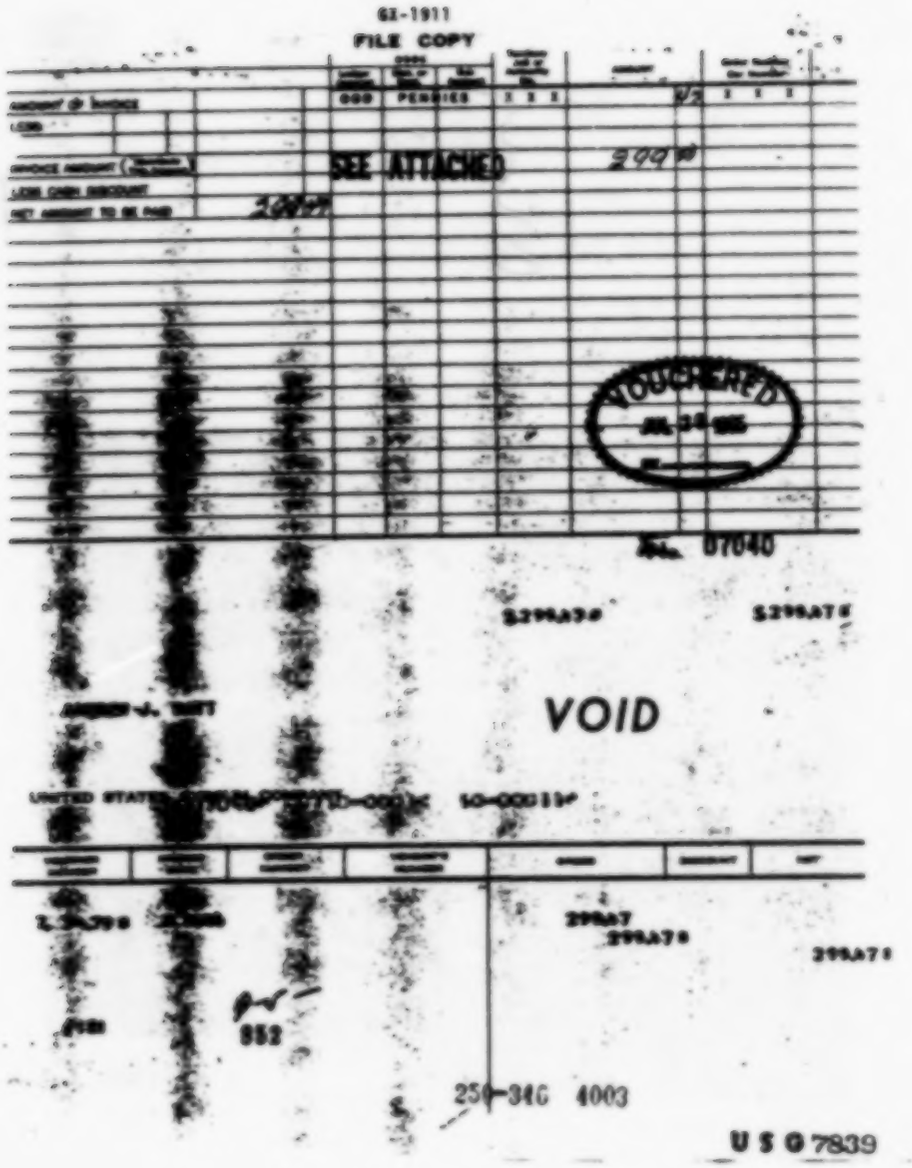

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63-2127

THE CELOTEX CORPORATION

6716

CEL [redacted]

To Dave

Date 3-26-71

Re attached U.S.G. invoice
may be make contact
The miller or someone Dave
not let the invoice back back
to U.S.G. or Celo will get
it.

You'll have to call me so I
can explain the attached

[redacted]

GX-2127

THE CELOTEX CORPORATION

Use Separate Sheet for Each Subject.

07160

CEL [redacted]

To: [redacted] Town: [redacted]

Date: [redacted]

Subject: [redacted]

price change book April 1, 1971

U.S.G.

Invoice # 95895 dated 2-24-71

	½"	5/8" Fiberock
price	33.50 -	49.50
2% cash discount	.67	.99
Del. price → 25	32.83	49.51
prepaid freight 254 cwt	4.45	5.48
	28.38	43.03

U.S.G. interior Canada will not increase price until 7-1-71

Flintkote

Billed price	36.00
allow 2% deduction	2.00
	34.00
2% cash	.68
Del price	33.32
prepaid freight 254 cwt	4.47
	28.84

Credit memo issued for this

12 M rail price

Celotex

NET F.O.B. plant

½"	5/8"
29.50	43.50

less adv. 3.50

[redacted]

GX-2127

THE CELOTEX CORPORATION

Use Separate Sheet for Each Subject.

07160

CEL [redacted]

To: [redacted] Town: [redacted]

Date: [redacted]

Subject: [redacted]

Celotex

½"	5/8" x	½ x
38.00	55.50	48.00
.76		
37.24		
5.38		
31.86		

[redacted]

GX-2127

THE CELOTEX CORPORATION

Use Separate Sheet for Each Subject.

5 J 2259
½ 1760

CEL [redacted]

To Don Miller 6716

Time

Date

Subject

We presently have in effect 350 #R1666 for R.L.C. and 350 #R-1065 for Boystate which allows both lines to be invoiced at the current List (1503-B) Less a 30¢ cwt pickup allowance. This works out as follows:

½"		5/8"
38.00	List 1503-B	55.50
.76	Less 2%	
37.24		
5.38	30¢ cwt allowance	
31.86	NET	

250-340 4007

GX-2151

GEORGIA PACIFIC ACTIVITIES

Norwood Homes, home builder in Houston, has instructed Quality Drywall and D & D to purchase G.P. board in Houston so they can get 1/2" board for $40.00 FOB their truck or $40.00 on a pickup basis. This is our dealer price.

Although G.P. in Atlanta had published prices for board on a pickup basis they are using this price on deliveries throughout Georgia. In other words they had a pickup price of $43.12. Our dealer price is $42.00.

We have reports throughout the state of them shipping at $1.00 to $2.5¢ above dealer price. These reports come from the following points in Georgia:

Columbus	Canton	Coal Mountain	Rome
DeGrange	Roswell	Milledgeville	
Franklin	Alfredo	East Point	

They quoted a price of $1.2¢ above dealer price on pickups at Savannah. They also sold directly to a contractor on a metal job in Savannah. We lost the order on this basis as we went through a dealer at regular prices.

In Irving, Texas they shipped a truckload of plaster directly from Acme to the Irving Bank job and sold the material directly to contractor Midwest Plastering Company. Price was $1.50 above dealer price. Their invoice 31542 dated July 8, 1966.

In Lubbock, Texas the G.P. warehouse has offered to ship directly to jobs for any dealer at $2.50 markup and have told the dealers they can quote whatever they want on a job.

In Shreveport they are delivering to dealers at $1.00 above regular dealer price. At some points they are shipping as far as 100 miles for this $1.00.

In Jackson, Miss. they quoted contractors Carter and Williams, part owners of United Supply, $1.00 above regular dealer price on 1/2" board delivered to two jobs.

In Memphis, Tenn. Fisher Lime and Cement is buying from G.P. and shipping board to jobs for regular dealer price plus actual drayage.

Regardless of what G.P. warehouses advertise, they are quoting whatever price it takes to get the job especially across the entire southern part of the U.S.

To compete with this we can only think of opening a warehouse in Atlanta, start trucking in the balance of Louisiana and opening a warehouse in Dallas. Of course if G.P. warehouses had a pickup price of about 5% and would deliver for no less than 10% or 12%, we would probably have no need for taking this action.

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GEORGIA-PACIFIC

OPERATING POLICY MANUAL

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refer the requesting agency or contractor to the Plans for Progress staff, 1815 "H" Street, N.W., Washington, D.C. 20006, in lieu of providing the Form 40-A as required.

3. Georgia-Pacific when a prime contractor is responsible for:
   a. Instructing each of its first-tier subcontractors who are not Plans for Progress companies and who hold from Georgia-Pacific—
      1. A subcontract or purchase order for $10,000 or more, or a purchase order for $100,000 or more if solely for standard commercial supplies and raw materials, or
      2. A subcontract for $50,000 or more for construction, repair and/or alteration in connection with which we perform construction work at the site of construction;

      to submit a Compliance Report (Form 40 or Form 41) directly to The President's Committee on Equal Employment Opportunity, and
   b. Completing the items on the top of the Compliance Report (Form 40 or Form 41) or otherwise furnishing this information at the time of providing report forms and instructions to the first-tier subcontractor;
   c. Obtaining from first-tier subcontractors within 60 days after awarding subcontract a "Certificate of Submission of Current Compliance Report" (Form 40-A) (unless such subcontractor is a Plans for Progress company), which certificate will be retained in your files, and
   d. If "Certificate of Submission of Current Compliance Report" (Form 40-A) is not received from our first-tier subcontractor within 60 days, reporting to Georgia-Pacific's "predominant interest agency" (General Services Administration) failure to obtain from the first-tier subcontractor such form.
4. In the event that any of the above forms have not been supplied, they may be obtained from any Government contract agency.

PRICING PRACTICES

There shall be no agreement, arrangement or understanding with competitors at any time regarding the fixing or maintaining of prices or the terms and conditions of sale, and the following procedure is to be strictly adhered to in this connection:

1. You are not to attend any meeting, whether formally or informally organized and conducted, at which such matters are discussed.
2. You should immediately leave any meeting at which any of these matters is discussed, even though the meeting was called for some other purpose.

It is realized that due to our diversification of sales that some types of accounts are not rated by Lumbermen's Red Book, Produce Reporter, or Dun & Bradstreet. The Credit Department has other facilities available for checking credit and establishing credit lines. If a customer does not have an acceptable rating in the sources indicated above, credit should not be extended unless approved by the Credit Department. Credit lines which would exceed the amount provided by an acceptable rating also require Credit Department approval.

In the event credit is not approved, our best terms on standard items that can be easily resold will be sight draft on order-notify bill of lading. On all other items, the terms will be deposit for at least the amount of the freight with the balance on sight draft on order-notify bill of lading.

Export Shipments

On export shipments a confirmed irrevocable Letter of Credit must be established with a U.S.A. bank for the full amount and for a period of time double the time you think it will take to ship the goods.

Even under the above arrangement, do not have our mill ship or obligate to other mills for goods unless we are practically sure they will be promptly lifted at port according to the Letter of Credit; otherwise, we may be left with the goods at port.

No credit is to be extended on open account, or sales to be made on a foreign draft basis, unless approved by the Credit Department in Portland.

GOVERNMENT CONTRACTS REQUIRING EQUAL EMPLOYMENT OPPORTUNITY—COMPLIANCE REPORTS

Effective as of April 14, 1964, Georgia-Pacific Corporation, on behalf of all units of the Corporation and subsidiary companies, became a participant in the Plans for Progress program and has since filed a Plans for Progress report (Form EEO-1) with The President's Committee on Equal Employment Opportunity. This report is now accepted in lieu of Compliance Report (Standard Form 40 which we have filed previously) and Compliance Report-Construction (Standard Form 41). Thus it will not be necessary for anyone in the corporation to file Form 40 or Form 41.

Following are certain facts and procedures that will be helpful to you in conforming to the new arrangement:

1. While we are exempt from filing the Form 40 and Form 41, as a government contractor under Executive Orders 10925 and 11114, we are subject to compliance reviews by field personnel of our "predominant interest agency," the General Services Administration.
2. In addition, if requested by a government "contract agency," or by a prime contractor when we are the subcontractor for a Certificate of Submission of Current Compliance Report (Form 40-A),

3. You should not correspond or otherwise communicate with competitors at any time regarding these matters.

4. Competitors should not be on our mailing lists for inventory sheets, price lists, etc., and neither your name nor that of Georgia-Pacific Corporation should be on a competitor's mailing list for such material, except that any customer (including a competitor) is entitled to and may be supplied with current price information in connection with a current order.

TRADEMARKS—PRODUCT NAMES

Georgia-Pacific must derive maximum benefit from its investments in advertising and promotion. It is important, therefore, that a uniform policy be strictly observed with reference to the adoption, use, registration and protection of trademarks and product names since we cannot afford to use and advertise product names or symbols which must be abandoned when they conflict with the trademarks of others.

Georgia-Pacific has established the policy of developing trademarks which have generic and descriptive terminology (i.e., G-P Factory Finished Hardwood, G-P T&G Roof Decking, etc.) rather than those which are merely euphonious and have no real meaning or which detract from emphasis on the Georgia-Pacific name.

No proposed trademark or descriptive name should be used until it has been submitted to the Public Relations and Advertising Department which will do the following:

1. Determine whether or not there will be a conflict with existing Georgia-Pacific trademarks or descriptive product names.
2. Secure approval from the corporate officer in charge of the sales department concerned with the sale of the product.
3. Determine from the Secretary of Georgia-Pacific:
   a. Whether or not the proposed trademark is available for use and registration without conflict with existing trademarks of others, or
   b. Whether or not a proposed product name is sufficiently descriptive to obviate the necessity for a trademark search.
4. Advise the person who proposed the name that the name has been either approved or disapproved.

Once a proposed name has been adopted, the Public Relations and Advertising Department will:

1. Advise all personnel concerned regarding adoption of a new product name and set forth instructions for uniform use of the name throughout Georgia-Pacific in the future.

2. Prepare reproduction proofs and make same are liable to all G-P branches. When a product name has been registered, the proof will show a small registered symbol—®. There are, however, many approved product names which cannot be registered; therefore, the proof for these will not show the registered symbol. If the product is made under a patent, the proof will show the patent number; if a patent has been applied for, but has not yet been received, the proof will show "Patent Applied For." IN ANY OF THESE INSTANCES, THE REPRODUCTION PROOF MUST BE USED THROUGHOUT GEORGIA-PACIFIC EXACTLY IN THE FORM SUPPLIED. IF YOUR SIZE REQUIREMENTS DO NOT AGREE WITH THE PROOF, YOUR PRINTER CAN ENLARGE OR DECREASE SIZE PHOTOGRAPHICALLY.

Immediately after adoption of a product name which is to be registered, the Public Relations and Advertising Department will:

1. Submit seven copies each of the following to the Secretary of Georgia-Pacific for use in connection with an application for registration which she will file:
   a. Samples of product with trademark affixed either by stamp or label.
   b. Invoices covering:
      (I) One intrastate shipment, and
      (II) One interstate shipment of the product.
      Each invoice must specifically set forth the exact terminology of the approved trademark.
   c. Affidavit of shipping clerk certifying that product was shipped with approved trademark affixed.

When the Certificate of Registration for a trademark is received, the Secretary of Georgia-Pacific will advise the Public Relations and Advertising Department. Thereafter, the Public Relations and Advertising Department will take steps to insure that the registered trademark is used on the product and in all advertising, price lists, etc., in the proper "type-style" with the letter R enclosed within a circle, thus ®.

WALSH-HEALY ACT

All orders amounting to $10,000 or more which are to be invoiced directly to the government are subject to the Walsh-Healey Act. If we supply the material from our mills, we must coordinate with the mill managers to make sure that the materials are produced in keeping with the Walsh-Healy Act. If we purchase the material from others, we must make sure that our orders clearly state that "the Walsh-Healey Act applies."

In brief, the Walsh-Healey Public Contracts Act states:

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DOCUMENT NO. 42-C

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BREAKER

GEORGIA-PACIFIC

OPERATING POLICY MANUAL

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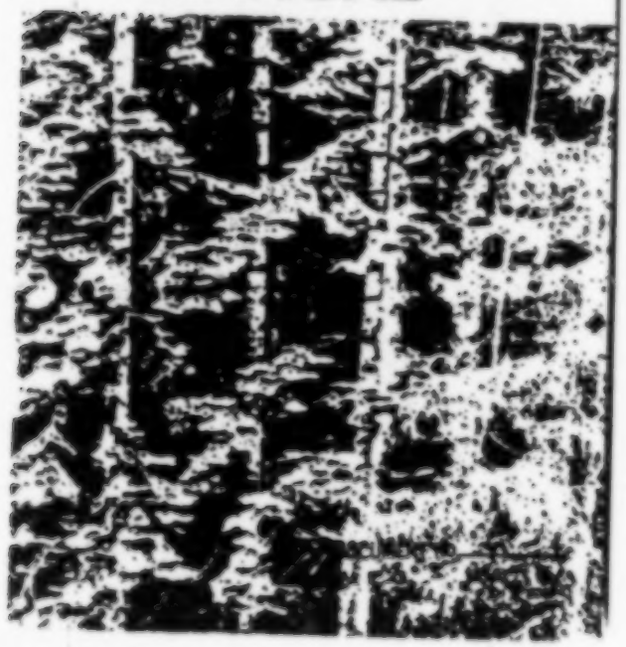
DOCUMENT No. 10-7

E. C. - 12/6/71



b. Will include "Equal Employment Policy" notices in all want ads and on all bulletin boards at each plant or office location.

c. Will notify any union with which G-P has a collective bargaining agreement of our equal employment policy.

d. Will permit access to books, records and accounts as well as furnish certain reports to and comply with all rules and regulations of the Secretary of Labor relating to Equal Employment Opportunity.

e. Will include an equal opportunity clause and certification of nonsegregated facilities in all purchase orders and subcontracts exceeding $10,000.

f. Will accept termination, cancellation or suspension of contracts and other sanctions in the event of noncompliance with the nondiscrimination clause.

g. Will notify prospective G-P subcontractors of their requirements for maintaining nonsegregated facilities.

If any Georgia-Pacific contract contains the equal opportunity clause, then all divisions and subsidiaries owned or controlled by G-P are subject to the Secretary of Labor's jurisdiction. As a result, discriminatory practices based on race, color, religion, sex or national origin are prohibited in all G-P plants, offices and other facilities, whether or not those plants, offices and facilities are engaged in government contract work.

5. Periodically you will receive inquiries from customers requesting that you sign affidavits attesting to G-P's willingness to comply with the Equal Employment Opportunity Clause (Section 203) and the Certification of Nonsegregated Facilities. Rather than sign any agreement prepared by a customer, we prefer that you use the document found as Exhibit H, Page 66 in this manual.

PRICING PRACTICES

It is Georgia-Pacific policy to retain as much flexibility as is legal in the pricing of its numerous products. That policy vests considerable responsibility for pricing policy in a great many of our employees. Employees bearing this responsibility must always comply with the antitrust and price discrimination laws. The following guidelines are prescribed to assure such compliance.

1. Compete vigorously and independently at all times, whether you are selling company products or buying materials. Avoid any suggestion or even indication of agreement or arrangement with any competitor on the prices or terms for products you both sell or for material you both buy.

2. Never agree or even discuss with a competitor recent, current or future prices for a product you both sell or for material you both buy. Disassociate yourself from any meeting or organization in which such prices are in any way discussed.

3. Know what the competition is doing, but find it out from already-announced price lists or by talking to mutual customers or from other independent sources, and not by direct conversation with competitors.

4. Don't have a competitor on your mailing list for price lists and changes and don't be on a competitor's mailing list — unless he is also a customer of yours or you are a customer of his for the product.

5. Avoid any discussion of customer selection with any other customer.

6. You may refuse to sell to a customer but be sure your reasons are independent and legitimate and not in concert with others. Legitimate reasons for not selling would include:
   A. Poor customer credit.
   B. The potential customer is outside of your usual line of distribution (e.g., direct selling in a dealer market). If you are in doubt as to the legitimacy of your reasons for desiring not to sell to a potential customer, obtain legal advice.

7. Do not require a customer to buy any product from you in order to sell a product to you.

8. Do not require a customer to buy either a specific product or a group of products in order to buy some other more desirable or better priced material.

9. Do not require from any customer as a condition of selling to him an agreement that:
   A. He will deal only with your product to the exclusion of the products of any competitors.
   B. He will not resell the product outside a stated geographic area.
   C. He will resell the product only to a certain class of customers.
   D. He will resell product at or above an agreed price.

10. Any discount, allowance or services to all customers of the same class who compete with one another in the resale of the product must be made available on the same or a proportional basis.

11. You may classify customers for purposes of charging different prices (e.g., wholesalers and retailers) but the basis of classification must be based on good economic reasons consistently applied.

12. You may charge customers who compete with one another on resale different prices for the same material sold to them at about the same time if:
   A. The volume of the order or the method of delivery or the cost of sale or any other similar factor results in a cost savings to you which you pass back to or share with the customer, provided that such passing back or sharing is done proportionately with all other customers who buy permitting a similar savings.
   B. You reduce your price in order to meet competition.

13. Advertising must, above all, be honest and completely truthful in all respects.

TRADEMARKS

G-P trademarks (words, symbols, designs or brand names) are valuable assets that perform three basic and important functions. First, they help the public to recognize and choose G-P products, distinguishing them from competitive products. Second, they represent G-P's reputation, and third, they guarantee G-P's standards of quality to the customer. Consequently, it is important to follow a uniform corporate policy regarding adoption, use, registration and protection of trademarks.

Adopting the Mark

1. Prior to adopting a trademark, submit the proposed words, symbol, design or brand name to the Public Relations and Advertising Department which will:
   a. secure approval thereof from the corporate officer in charge of sales of the product to which the proposed trademark shall apply.
   b. determine from the G-P Legal Department in Portland whether the proposed trademark infringes on existing trademarks of others and whether it can be registered with the U.S. Patent Office.

   If approvals are received, the mark will be adopted.

2. After adoption of the mark, the Public Relations and Advertising Department will:
   a. inform appropriate G-P employees of the mark and issue instructions for the proper use of the trademark.
   b. prepare and make available for uniform use by G-P division, plant and sales offices, materials for reproduction in signs, printed or other graphic materials.

Registering the Mark

If registration of the adopted trademark with the U.S. Patent Office is desired, submit a request and the following data to the G-P Legal Department:

a. evidence (invoices, memoranda or other documentation) of the first interstate and first intrastate shipments by a G-P customer which shipments carried the trademark affixed on or attached to the product.
b. twelve specimens (labels, decals, tags, the product itself, wrappers or the like on which the trademark appears) showing the mark as actually used on the product, wrapper or container in which the product is shipped.
c. a complete description of the product and its principal uses.

When the Certificate of Registration for the trademark is received, the G-P Legal Department will officially notify all interested parties.

Using and Protecting the Mark

Basically, a trademark can be protected if it is continually used as an indication of the origin of the goods. A prime objective of G-P's trademark policy is to prevent the trademark from becoming, in the mind of the public, a "generic" or common word name identifying the product itself instead of the particular source of the product (G-P). Improper use is not illegal but it can result in the public recognizing the mark as a generic name thereby resulting in loss of the mark. Famous trademarks such as "cellophane", "aspirator", "corn flakes" and "linoleum" were once valuable trademarks which were lost because of improper usage.

A G-P trademark should be thought of as an adjective, meaning "G-P's brand of". If the mark is repeatedly used as a noun, in time it may become generic and be lost to G-P. To prevent such loss:

1. Always use the mark as an adjective (e.g. PRO GRAN[illegible] pending).
2. Never modify the mark. A trademark must not be used as a verb or a noun (except where good advertising practice dictates), or in the possessive or plural, or as a descriptive adjective to modify any words other than the common name.

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MINUTES OF THE

ANNUAL MEETING OF THE

GYPSUM ASSOCIATION

AMBASSADOR WEST HOTEL

CHICAGO, ILLINOIS

APRIL 30 - MAY 1, 1969

The meeting was called to order by Mr. K. A. McCaskill, President of the Gypsum Association, at 9:00 a.m. on April 30, 1969. Those in attendance were:

W. Greenwood	The Celotex Corporation
M. M. Hambrick	The Celotex Corporation
W. D. Herbert	The Celotex Corporation
E. R. Katz	The Celotex Corporation
D. Miller	The Celotex Corporation
C. E. Abbey	The Flintkote Company
C. Flynn	The Flintkote Company
J. D. Moran	The Flintkote Company
J. B. H. Fitzwilliam	GAF Corporation
E. R. Gardner	GAF Corporation
C. W. Lehnert	Georgia-Pacific Corporation Gypsum Division
K. A. McCaskill	Georgia-Pacific Corporation Gypsum Division
A. L. Meyer	Georgia-Pacific Corporation Gypsum Division
G. E. Wilson	Georgia-Pacific Corporation Gypsum Division
G. I. Fischer	Grand Rapids Gypsum Company
L. L. Murray, Jr.	Grand Rapids Gypsum Company
J. Hague	Kaiser Gypsum Company, Inc.
K. Atwell	National Gypsum Company
J. P. Hayes	National Gypsum Company
J. K. Hovind	National Gypsum Company
F. M. Zimmerman	National Gypsum Company
M. Montgomery	Republic Gypsum Company
R. Simpson, Jr.	Republic Gypsum Company
T. Armstrong, Sr.	Texas Gypsum Company, Inc.
T. Armstrong, Jr.	Texas Gypsum Company, Inc.
J. C. Bopp	United States Gypsum Company
J. Crumbaugh	United States Gypsum Company
R. F. Dooley	United States Gypsum Company
J. Dowling	United States Gypsum Company
E. W. Duffy	United States Gypsum Company

(over)

depletion situation and the recent hearings of the Ways and Means Committee which he also said was being watched carefully.

Mr. Snell then reported on pending litigation. He said that in the Austin Congress case the Master's report was filed fortunately a short time before the Master died. He said the case was still pending before the judge who had not ruled on objections to the Master's report. He then summarized, in the absence of Mr. Walsh, the status of the various antitrust cases. He said there were some twenty-three cases now pending against the Association, including a recent case filed in Philadelphia by Jack W. Blumenfeld and Company as to which a motion for transfer had been filed with the Multi-district Panel. He said he assumed the case would be transferred to San Francisco. He reported that the dealer cases in which the Association is not a party were now scheduled for trial August 4 and probably would be tried some time this fall. He also reported that the counsel for the Housing and Urban Development Department in Washington had concurred in objections to a circular suggesting possible joinder by local housing authorities in the class suit filed in Philadelphia and said the Federal government would take no more action encouraging such litigation. Nevertheless, 17 housing authorities have recently filed motions for leave to intervene in the Philadelphia case.

Mr. Snell concluded by discussing in some detail the recent decision of the U.S. Supreme Court in the Fortner case and the Container Corporation case and their general significance to the Association and members of the industry.

REPORT OF THE SPECIAL COMMITTEE TO THE MEMBERSHIP

Mr. M. M. Hambrick, chairman of the Special Committee, reported on the activities of the committee.

Mr. Hambrick noted that the committee had met twice since its inception by the Board. He noted that one objective of this committee was to serve as a liaison to other committees that are dealing primarily in the area of production personnel responsibilities. Examples were Safety, Materials Handling, Traffic and Legal as it relates to political action at the operating plants. He stated that the effectiveness of these committees would be increased by the representatives attending the Special Committee meeting and to report their recommendations and participate in direct question and answer sessions with the production personnel who are directly responsible for carrying out the recommendations. By this means he noted, representatives of other committees in the Association felt that the Special Committee could be instrumental in the furtherance of their recommendations, and that the Special Committee could serve in an advisory capacity for the guidance of various committee programs.

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Gypsum Association

201 North Wells Street, Chicago 60606

November 17, 1965

TO ALL MEMBERS OF THE
BOARD OF DIRECTORS

Gentlemen:

SUBJECT: Minutes of our last
Semiannual Meeting

The following paragraph was inadvertently omitted from the minutes of the recent Board of Directors meeting at Ponte Vedra, October 15, 1965.

Please insert on page 4, following the end of paragraph 6, "...and as otherwise directed by the President":

"Chairman Greenwood appointed Mr. A. J. Watt as chairman and stated he would appoint the remainder of the task force members in the very near future."

We are sorry for this omission.

Yours very truly,

GYPSUM ASSOCIATION

A. Victor Abnee, Jr.
Secretary-General Manager

AVA:kb

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MINUTES
BOARD OF DIRECTORS MEETING
UNIVERSITY CLUB OF CHICAGO

January 27, 1966

The meeting was called to order at 10:00 a.m. by Mr. M. Greenwood, Chairman of the Board of Directors. Those in attendance were:

M. Greenwood	The Celotex Corporation
O. C. White	Fibreboard Paper Products Corporation
J. D. Moran	The Flintkote Company
D. F. Newman	The Flintkote Company
A. L. Meyer	Georgia-Pacific Corporation Bestwall Gypsum Division
G. I. Fischer	Grand Rapids Gypsum Company
J. J. Hague	Kaiser Gypsum Company, Inc.
J. W. Brown	National Gypsum Company
R. Simpson, Jr.	Republic Gypsum Company
R. R. Neigas	The Ruberoid Co.
T. E. Armstrong	Texas Gypsum Company, Inc.
A. J. Watt	United States Gypsum Company
T. S. Snell	Legal Counsel
L. H. Yeager	Gypsum Association
A. V. Abnee, Jr.	Gypsum Association

MINUTES OF LAST MEETING

Upon motion duly seconded and carried the minutes of the last meeting, as submitted to the membership by the secretary, were approved.

MARKETING TASK FORCE

The chairman then reviewed the background and discussion from the last meeting of the Board of Directors concerning an over-all marketing task force. He read the resolution that had been passed at the last meeting which is restated here:

> WHEREAS, it is the consensus of members of the Association that greater marketing opportunities than presently exist for the sale of gypsum products can be developed; and
>
> WHEREAS, a task force with broad authority to consider all aspects of the problem, and to formulate recommendations, could benefit the industry; and
>
> WHEREAS, it is not the intention to in any way impinge upon or restrict freedom of each company to develop and market new products and to otherwise take independent action as it may deem to be in its own best interests,

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NOW, THEREFORE, BE IT RESOLVED, that a task force be, and it is hereby, established with authority to explore in any way it may deem appropriate, and as may be legally permissible, ways and means of increasing the market potential for gypsum products, of removing obstacles to greater acceptance and use of gypsum products, and of reducing costs incident thereto, including, without limitation, consideration of building code requirements and limitations, testing procedures and techniques, present concepts of use of gypsum products, and the impact of non-gypsum competitive products; and

BE IT FURTHER RESOLVED, that the task force be, and it hereby is directed to report with recommendations it deems appropriate at each meeting of the Board of Directors and as otherwise directed by the President.

Mr. Greenwood then stated that he had appointed Mr. A. J. Watt, chairman of the task force, and that after investigation of the subject Mr. Watt had asked that this special meeting of the Board of Directors be called to consider this subject. Mr. Greenwood then turned the meeting over to Mr. Watt.

Mr. Watt then initiated discussion on the recent capacity figures that were released to Peat, Marwick, Mitchell & Co., to oppose an application for a loan to the Economic Development Administration for a new gypsum plant in Parker, Arizona. On motion duly seconded and unanimously carried, the Board moved to disclose the capacity figure of the industry as of January 2, 1966. This figure based on three shifts, a six-day week and a 307 day year was disclosed to be 12,040,000 M square feet.

Mr. Watt then stated that he had asked for the special meeting of the directors because it was his suggestion that the entire Board be a task force of the whole to get full and unanimous support for this over-all marketing task force.

He then asked that there be sub-task forces appointed for four separate subjects:

1. Annual Meeting Presentation - a sub-task force to be appointed to prepare an invitation to the chief executive officer of each member company to attend our Annual Meeting. This group will recommend the material and form of presentation to be made on the history of Association activities, major areas of operation at the present time and recommendations for expanded areas of operation for the future. In all cases where actual monetary savings or advantages can be placed upon projects, these will be shown.

2. Industry Testing Procedures - a sub-task force to study the costs of industry testing in the past, including total company costs of time of personnel, erection of test structures and the actual testing procedures both successful and unsuccessful. Mr. Yeager was asked to assist in the collection of historical data on this subject on both fire and sound. Of necessity, a questionnaire is to be prepared so that all company information will be on a standard basis.

3. Listing Service - a sub-task force to be appointed to investigate the costs that the industry is now paying for all listing services. It was emphasized that this trend is on the increase and a recommendation should be forthcoming for possible solutions to this problem. It was recommended that the Building Code Committee initiate this study and report to the membership following their next meeting.

4. Simplified Practice Recommendations - there was a discussion of the present Simplified Practice Recommendations on standard product sizes, etc. It was the consensus that the Promotional Committee, legal counsel and Association staff prepare a program to educate and inform all segments of the industry, both internal and external of the advantages of maximum utilization of standard size products. This will be initiated immediately with the circulation of the recently reprinted Simplified Practice Recommendation.

After discussion on each of the above subjects and the entire marketing task force program, and on motion duly seconded and unanimously passed, the Board of Directors moved to initiate the program as outlined by Mr. Watt.

There then ensued a discussion on an over-all industry advertising program. Mr. Watt accepted chairmanship of this group, will initiate an investigation and have recommendations at the next meeting.

ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. Greenwood then resumed the chair for the remainder of the meeting. A report was given by the secretary and legal counsel on our progress with EDA concerning the Colorado River Indian Products Company. On motion duly seconded and unanimously passed the Board moved to collect, through Peat, Marwick, Mitchell & Co., production, capacity and employment figures from the mills in the southwest marketing area which could be served by this plant, the figures to be collated into several reasonable marketing areas and submitted as collated to the staff for a presentation to EDA personnel. It was also recommended that a freight rate study in the southwest be made to enable EDA to properly determine marketing areas.

It was also emphasized, the need for strong Congressional help to assure that EDA allow the industry to present its case.

GX 2446

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF THE GYPSUM ASSOCIATION
AT DEL MONTE LODGE
PEBBLE BEACH, CALIFORNIA

OCTOBER 14, 1966

The meeting was called to order at 9:00 a.m. by Mr. J. J. Hague, chairman of the Board of Directors. Those in attendance were:

DIRECTORS:

W. E. Gatewood	Barrett Division, Allied Chemical Corporation
O. C. White	Pabco Gypsum Division, Fibreboard Corporation
J. D. Moren	The Flintkote Company
K. A. McCaskill	Georgia-Pacific Corporation, Bestwall Gypsum Division
G. I. Fischer	Grand Rapids Gypsum Company
J. J. Hague	Kaiser Gypsum Company, Inc.
J. W. Brown	National Gypsum Company
R. Simpson, Jr.	Republic Gypsum Company
T. E. Armstrong, Sr.	Texas Gypsum Company, Inc.
A. J. Watt	United States Gypsum Company

OTHERS:

C. W. Burgess	Fibreboard Corporation
D. C. Slawson	Grand Rapids Gypsum Company
J. W. Duncan	National Gypsum Company
T. S. Snell	Legal Counsel
A. V. Abnee, Jr.	Gypsum Association

MINUTES OF LAST MEETING

Upon motion duly seconded and carried, the minutes of the June 7, 1966 meeting, as submitted to the membership by the secretary, were approved.

EXECUTIVE COMMITTEE REPORT

Mr. J. J. Hague, chairman of the Executive Committee, stated that no action had been taken by the committee since the Annual Meeting of the Board of Directors in April 1966.

ELECTION OF EXECUTIVE COMMITTEE MEMBER

On motion duly seconded and unanimously carried, Mr. G. I. Fischer was elected to the Executive Committee to replace Mr. J. W. Brown who is retiring.

REVIEW OF COMMITTEE RECOMMENDATIONS

Because of the extremely full agenda of the previous two-day membership meeting and the number of important subjects that were included in the recommendations of the various standing committees, Mr. Hague requested a review of the committee recommendations for discussion and action by the Board of Directors.

Technical Committee

The directors reaffirmed the resolution on rapid plaster that was adopted in April 1966. The recommendation to conduct a fire test for one hour with rapid plaster based on the specifications contained in the Technical Committee section of the Semiannual Report was approved. Should the proposal be rejected by CPLIA, it was recommended that the test not be run. The Technical Committee was requested to attempt to bring to a successful conclusion all aspects of the rapid plaster program by April 1967.

After considerable discussion, the committee's recommendation concerning the reduction of Underwriters' Laboratories, Inc., label service was approved; however, it was requested that for further clarification, no change was recommended except to the extent there is assurance that such change will be accepted by consumers, building code officials, and other official agencies in the industry. In addition, Mr. McCaskill was appointed as chairman of a task force to approach Underwriters' Laboratories, Inc., to discuss a general reduction of their fee schedules. This will be a separate effort and will not interfere with the program as outlined in the Technical Committee recommendation.

There was discussion of the position the Association representative should take on the proposal before ASTM to reduce minimum weight specifications for wallboard. It was pointed out that there were several disadvantages to this recommendation, including the probability that freight savings would be temporary, being offset by compensatory increases in rates. It also was indicated that there were problems of bulkheads on existing flat cars not being sufficient to handle a minimum weight load, and that there may be numerous problems of existing fire and other tests no longer being accepted should the weight of wallboard be reduced. It was also pointed out that there was a strong possibility that a performance standard for gypsum wallboard might be very difficult to obtain and, in any case, might be very far in the future. Because of lack of unanimity, on motion duly seconded and unanimously passed, the Association was directed not to participate in a vote of the ASTM committee concerning weight reductions and to explain that a difference of opinion among the member companies existed.

Promotional Committee

The advertising and promotional portion of the task force program was discussed at length. The Promotional Committee was commended on their successful activity of selection of an advertising agency and preparation of a complete communications program for the industry which was culminated by the presentation of the program for the membership meeting on October 13. There was a general affirmation by the board of the concept of the objectives,

audience and approach of the total program and that the Promotional Committee's portion of the program had been completed. It was recommended that the program be referred back to the subtask force, chaired by Mr. Watt, to further study the specific details of scheduling with particular regards to timing, media and assessment recommendations. Mr. Watt stated that this task force could meet within the next month and that an initial program of certain segments of the program could be initiated in 1967 for particular measurement of results and coordination with present promotional programs in this year's budget. There was specific discussion concerning the Association sponsorship of a movie showing the outstanding highlights of the recent American Institute of Architects Convention, which had been a part of the task force presentation. After discussion, it was decided not to sponsor the film for this year but that consideration be given to similar but exclusive sponsorship next year.

Mr. Armstrong commented that it might be advantageous for the Association members to conduct a program of contacting their respective federal and state legislators to relieve the present "tight" money as applied to mortgage loans in the construction industry. This would be similar to our present program with the Economic Development Administration of the Department of Commerce which has been successful thus far. The National Housing Council program as to mortgage money was also mentioned.

Mr. Gatewood recommended the task force review the public relations portion of the over-all promotional program with the thought of initiating this part of the effort in advance and separate from the advertising portion. It was the consensus that these recommendations could be included in the over-all task force program and they were so assigned.

Traffic Committee

There was a general affirmation of the Traffic Committee's recommendations. After specific discussion concerning regional pallet programs, wherein there was the recognition of many problems facing an industry pallet program, the Board of Directors approved continued exploration of the subject.

Materials Handling Committee

There was a general discussion of the recognition of the extensive savings which could be enjoyed at all levels in the industry in the reduction of end-bundling tape on gypsum board products. Several of the members expressed some question as to the ultimate success of this program due to habit and lack of full understanding of the benefits in the field and difficulties of company identification of their products without it. However, the Materials Handling Committee was directed to continue the study program and to give special emphasis to new methods of bundling related to modular units, and the proper handling and transporting of industry products.

The committee was instructed to continue the program of investigation to formulate a recommended industry pallet salvage program.

Safety Committee

The Safety Committee was given commendation for its excellent work in the last period on special projects and the over-all industry safety program. Specifically, the committee was directed to continue its investigation of the industry fleet car safety programs. There were suggestions that such a program might encompass all company employees with both company vehicles in plant and also residence safety recognition. There was also a reaffirmation of the possibility of an industry safety movie. It was agreed that the sum of $25,000 was a reasonable estimate for such a movie and that the committee should proceed with an outline of objectives, concept and audience for such a movie.

Building Code Committee

The report of the Building Code Committee was approved and the committee was instructed to proceed with the recommended administration of the program in California concerning the listings with the State Fire Marshal. There was affirmation of the recommendation that member companies label products showing a compliance of ASTM standards where such exist. Legal counsel was requested to prepare a sample wording.

SECRETARY'S REPORT

The secretary reviewed our activities opposing Economic Development Administration's approval of a loan to construct a new gypsum plant in Parker, Arizona. He specifically requested that the directors renew their efforts to request assistance from congressmen and senators as well as state bureaus of economic development, and suggested specific examples of decreases in production in the gypsum industry should be sent to political supporters for their relay to EDA in Washington -- examples of this might be plant shutdowns, reduction of the number of shifts per plant, etc.

Mr. Abnee suggested that a further breakdown of product categories might be advisable in our statistical reporting program. Several members have suggested that the veneer plaster and predecorated gypsum wallboard be categorized. On motion duly seconded and unanimously carried, the Association was to proceed to start reports on these two individual products in 1967. This will be passed along to the Bureau of Mines so that the official government figures and the Association figures could be reconciled.

LEGAL COUNSEL REPORT

Counsel reported to the directors that the Master's report in the Austin-Congress case could be handed down any time but that the normal schedule for filing objections to the draft of the report and exceptions after the report has been filed, together with arguments before the court itself and possibly the preparation of briefs, could consume several months and that a final decision could not be expected until some time next year.

He also commented that the Internal Revenue Service in the United States Gypsum Company tax case pending in Chicago had agreed to waive its position on the percentage depletion question and indicated it would accept

percentage depletion computed on the basis of retarder rock sales, using the "field price" in the absence of an actual price. He said this was consistent with the new regulations which had been proposed by the servite and on which the Association commented at a recent hearing in Washington. The Association's position at the hearing was simply to clarify certain points to eliminate any possible question and that the testimony had been favorably received. He said that the Treasury Department had asked for a letter summarizing the oral remarks and supplementing the written statement which had been filed and that this statement was in the process of preparation.

Finally, Mr. Snell commented that he was watching closely developments in connection with the interstate mining compact and state legislation relating thereto which would regulate strip mining. He said that it was probable that legislation would be introduced next year either to implement the compact or in lieu thereof. He pointed to Iowa and Oklahoma as two states where some action was probable and said that he would continue to pursue the matter to protect the interests of the industry unless some instructions to the contrary were received. He urged the members to report any further developments promptly relating to such regulation of strip mining in any other states.

FUTURE MEETINGS

After discussion concerning future sites for the semiannual meetings of the Association and on motion duly seconded and unanimously carried, the schedule for the next four semiannual meetings are as follows:

1967 -- The Greenbrier, White Sulphur Springs, West Virginia
1968 -- Carefree, Arizona
1969 -- The Cloister, Sea Island, Georgia
1970 -- Del Monte Lodge, Pebble Beach, California

FIRE RESISTANCE DESIGN DATA MANUAL

Several members stated that the Association publication, Fire Resistance Design Data manual should be reviewed for the exclusion of any tests containing strictly proprietary products. Adoption of the following resolution was moved and seconded:

> "RESOLVED, that the policy of the Gypsum Association be, and it is hereby established to be, that reference to any product or system of products shall be omitted or deleted from Gypsum Association literature at the request of any member company on the grounds that such product or system is proprietary in nature."

After discussion, it was moved, seconded and unanimously carried that due to the absence of several members of the Board of Directors the resolution be tabled and referred to the Executive Committee. However, it was the consensus that the publication should not contain such tests and the Technical Committee should be advised of such policy and should immediately begin the task of revising the brochure for the next printing.

DISSENTING VOTES

There was considerable discussion concerning the proper recording of votes on committee actions during meetings. On motion duly seconded and unanimously carried, the Association staff was directed to record all dissenting votes on motions in committee meetings.

CREDIT ACTIVITY

Mr. Hague reviewed the previous discussions on credit activity as part of the over-all task force program. Member companies were to review this subject with their legal counsels. Mr. Snell reported that he had again reviewed the subject and nothing significant has occurred since the distribution of his legal opinion to the membership in August of 1966.

Mr. Fischer distributed a letter from Mr. G. A. DeVries, executive vice president of the National Association of Credit Management, on the subject of association credit activity. A copy of this letter will be distributed to the directors. Further discussion of this subject was then postponed until the next meeting.

BUDGET

In addition to matters previously acted upon relating to the budget, on motion, duly seconded and unanimously carried, Mr. Abnee was voted a bonus of $1,400 payable immediately, and the budget amended accordingly.

ASSESSMENT

The board then considered the due date for collection of the balance of assessment levied at its last meeting. On motion duly seconded and unanimously carried, the remaining dues of 1-3/8 cents on 1965 tonnage previously assessed but unpaid was declared due and payable on or before November 1, 1966.

ADJOURNMENT

There being no further business before the Board of Directors, on motion duly seconded and carried, the meeting was adjourned at 12:00 noon.

Respectfully submitted,

A. Victor Abnee, Jr.

A. Victor Abnee, Jr.
Secretary

NATIONAL ASSOCIATION OF CREDIT MANAGEMENT

WESTERN MICHIGAN INCORPORATED

TELEPHONE 459-3271

7TH FLOOR HOUSE BUILDING
21 OTTAWA AVENUE, N. W.
GRAND RAPIDS, MICH. 49503

October 6, 1966

Grand Rapids Gypsum Co.
P.O. Box 1674
Grand Rapids, Michigan 49501

Attention: Mr. George I. Fischer

Dear Mr. Fischer:

Confirming our visit the other day when we discussed the possible formation of a nationwide Gypsum Manufacturers Credit Interchange Group.

You are probably aware that at the present time many industries participate in the exchange of ledger information. The confidential exchange of this information is perfectly legitimate and not frowned upon by either the U. S. Department of Commerce, the Department of Justice - its anti-trust division - and/or better Business Bureaus. On the contrary, it is a highly regarded ethical approach being used by an increasing number of business firms in this country. The exchange of credit experience has always been and, I hope, will always remain a valid exercise of business judgment.

Rarely, if ever, will you find a firm that is adequately capitalized slow to pay its bills as they mature. One of the very first indications of shortage of working capital is lateness in paying for merchandise received. For people selling the same type of merchandise to advise one another of their slow pay accounts and thereby avoiding the customer running up a bill with one and then moving to another supplier for the same type of goods is a legitimate exchange of information. The dissemination of this information does not necessarily mean that all suppliers will refuse to sell the offending customer, but only puts them on notice that said customer does have an annoying habit of not paying promptly; thereby, all other suppliers are on notice so that they can make their own independent judgment as to the terms by which they would sell this customer should he come to them.

As previously stated, there are many industries that are now sharing this type of information using the facilities of the National Association of Credit Management. To name a few: there is a National Hardware Manufacturers Credit Group; one for Food Manufacturers, Housewares Manufacturers, Sporting Goods Manufacturers, Building Materials Manufacturers, Cement Manufacturers, and others too numerous to mention.

The various groups now being operated by the National Association of Credit Management generally have as their Secretary the manager of one

of the local NACM Associations - usually that Association which originated the group. Thus, Sporting Goods comes out of St. Louis; Petroleum from Minneapolis; Building Materials from Hartford, Conn; Food Manufacturers, Chicago, etc.

I am suggesting that a National Gypsum Credit Group could be organized with this office serving as Secretary. I understand there are approximately 12 such manufacturers in the United States and believe that most of them already are members of the NACM. We could provide information for your group on a cooperative basis by having each manufacturer submit to this office, at regular monthly intervals, a complete list of all their past due accounts. This information would be tabulated by our office, consolidated into a single report showing alphabetical by state and subheading under each state alphabetical by name those customers that are past due.

This consolidated list would then be distributed to all participating members of the group. Thus, all of you would know whether the John Doe Company at Anytown, U.S.A. was delinquent with any supplier of gypsum products. To insure complete confidence, no identification as to who reported the delinquency would be shown on the report disseminated to the group. That knowledge would remain in this office.

As a continuing service to the participating members, should a member receive an order from the John Doe Company and notice on the report that he is delinquent with one or two other members, we would obtain for him the detailed information without revealing either his name to those reporting or the reporting member's name to the inquiring member. Thus, if the John Doe Company has a valid reason acceptable to the one or two who have reported him as being delinquent, this information would be passed on to the inquiring member so that he could make his independent decision as to whether or not he would extend open account terms.

There is only one stipulation in all of these groups, and that is that the information gathered from this source be limited to the exclusive use of the Credit Department. Violation of this principle means expulsion from the group.

This office is currently serving about 8 industries with local service as described above. For your discussion purposes, I am enclosing the report that was used last August by our Electrical Distributors Group. It is possible, and probably would be desirable to go into more detail in summarizing the information for a group such as I am proposing to you gypsum manufacturers. By this I mean, gathering more information concerning all of the delinquent accounts and especially those that are in suit, judgment or assignment. Also whether or not they have been placed for collection and any other data you people feel would be pertinent.

Our local groups have these lists distributed to them at a monthly meeting

Grand Rapids Gypsum Co. 10-6-66

and the names on the list are discussed at this meeting. Not all national groups have meetings at regular intervals - some do meet monthly, others meet bi-monthly, quarterly, semi-annually, or annually.

I suggest that your group appoint a committee to go over the type of information you would like and decide on the frequency of meetings that would be held. As stated previously, this office would be pleased, and we have the facilities to serve as Secretary to such a group. We are by Charter a non-profit corporation. The charges for our services would be based on cost of providing same to you. The only stipulation would be that all participating firms be a member of their local National Association of Credit Management affiliate. There will be no other strings attached to our serving as your Secretary to this group. By this I mean you would not all have to be a member of this particular office of NACM - only a member of the one where your home office is located, and chances are that many of you already qualify in this regard. Secondly, we would not insist that all delinquent accounts be placed with this office for collection. We recognize that many of you have had a relationship with a collection agency and you would probably like to continue - we would not insist on a change.

We would insist, however, on complete candor and honesty in reporting. We would expect consistency in meeting the dead-line. Without these two, the venture would be sure to fail. With complete honesty and cooperation many of the bad credit practices of customers in your industry could be eliminated. It is being successfully used by many other industries and we are sure it can do the same for the gypsum manufacturers.

Very truly yours,

Gary A. De Vries
Executive Vice President

GDV:EB
encls.

GOVERNMENT EXHIBIT 2480

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GOVERNMENT EXHIBIT 2482

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R. E. Gill
B. Henry
T. E. Armstrong, Jr.
W. W. Holloway

Associate Members

E. R. Kiehl
G. I. Fischer
L. B. Crowell
R. D. Stiling
T. E. Armstrong, Sr.
M. C. Musgrave

***

NOT ADMITTED

GEORGIA-PACIFIC CORPORATION

COMMONWEALTH BUILDING - PORTLAND, OREGON 97204

TELEPHONE: 223-5291 - TELETYPE: 910-464-0152

AREA CODE: 503 - WESTERN UNION TELEX: 036-491

GOVERNMENT EXHIBIT 5006

July 31, 1968

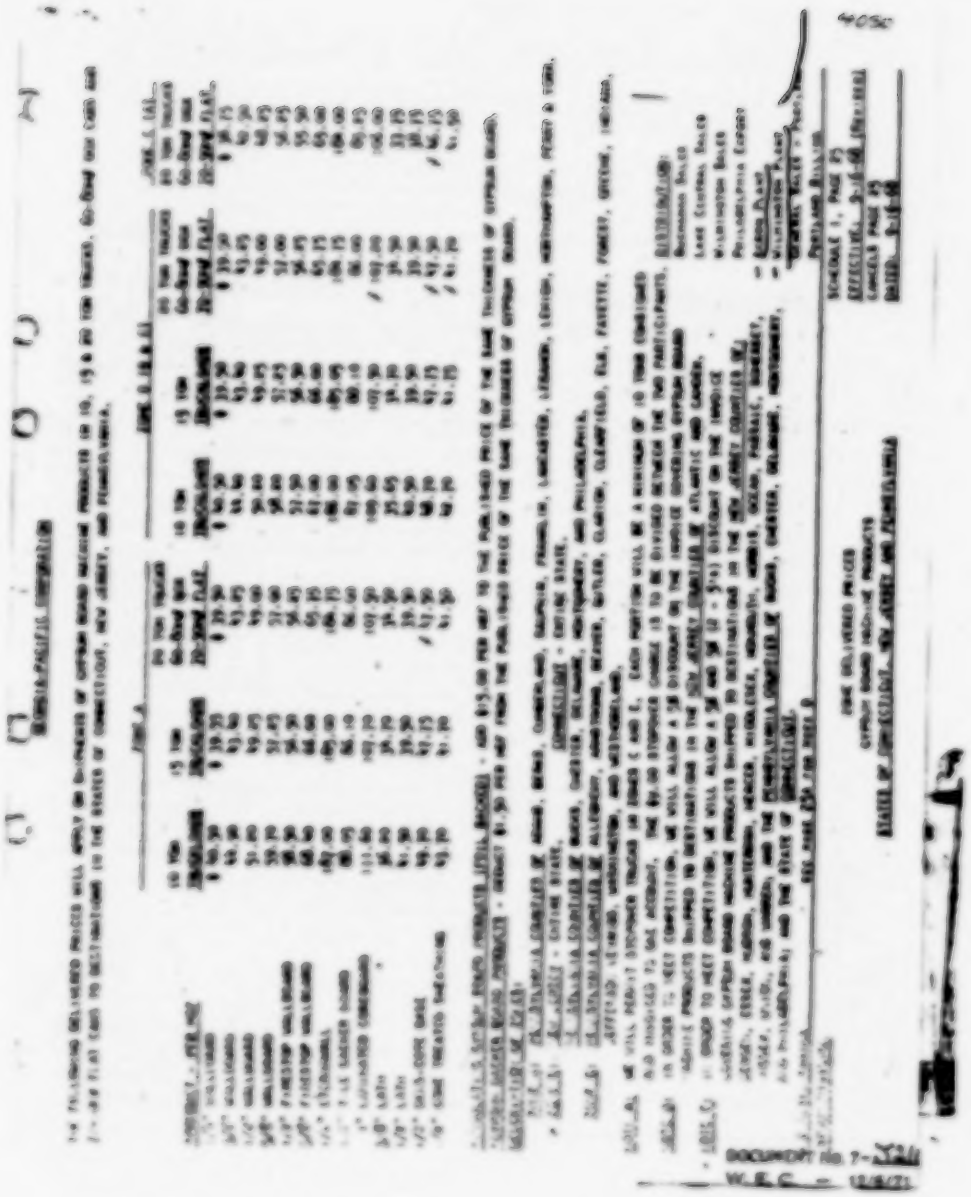
To our customers:

Our letter of July 12, 1968, announced changes in the cash discount terms and price increases covering gypsum board machine products effective September 16, 1968.

This letter is to notify our customers that the aforementioned July 12 announcement is withdrawn until further notice.

GEORGIA-PACIFIC CORPORATION

Gypsum Division



DOCUMENT No. 7-3244
W. E. C. — 12/8/71

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GS-5051

PRICE ADJUSTMENT REVIEW

NOTICE OF EXTENSION OR CANCELLATION

250-346 4051

GS-5051

GX-5051

CHECK AS APPLICABLE:
☐ COMPETITIVE PRICE & POLICY REPORT. ☒ REQUEST FOR SPECIFIC PRICE ADJUSTMENT.

DENVER #91	12/21/66	104		12/1/66

Drywall Supply Inc.
5160 Peros Street
Denver, Colorad

Same
3031 North Nevada Ave.
Colorado Springs, Colorado
El Paso County

Jr. Building - Alamosa, Colorado

USG COMMODITIES					
898 Sheetrock Vinyl Panel Wallboard 4'x8' x various lengths	MSP	C/L	194.50	204.00	193.50 per MSP C/L or part C/L.

☐ TRUCK ☐ CONSIGNMENT ☐ CONSTRUCTION ☐ DEMURRAGE ☐ COMMITMENT ☐ OTHER

Drywall Supply Inc. Colorado Springs, Colorado

Talbot & Bradwell — Denver and Pueblo — Pueblo

Architects picked USG colors for this job. Mr. Ballow and I quoted price shown. We were told by the drywall contractor, Paul Jensen, Inc. and dealer that they could but the board from any manufacturer of vinyl gypsum board at prices shown above.

RECEIVED JAN 12 1967

RECEIVED JAN 9 1967

180,000	0		
Jim Dooley & Comp.	12/21/ 4:00	His office	Pone

Ken USG 3/2

Jr. Building - Alamosa, Colorado Jim Dooley — 12/21/66 — His office

Delong - Tyler

J. Westerdahl

Approved per J. Galvin

T. T. Ballo

RECEIVED JAN 13 1967

73049

GX-5051

PRICE ADJUSTMENT CANCELLATION OR EXTENSION NOTICE

TO: #

FROM: # 920-L MARKETING POLICY Central DIVISION DATE 2-9-67

PRODUCT GROUP: #91 Drywall Sheetrock

PRICE ADJUSTMENT NO. 104 DATED 12-1-66

CUSTOMER Drywall Supply Co.

SHIP TO ZONE OR COUNTY Denver SHIP TO STATE Colo

THIS PRICE ADJUSTMENT HAS BEEN amended to read under Section IV (Reg Commodities) 5/8" Sheetrock

☐ APPROVED FOR EXTENSION UNTIL

☐ CANCELLED

RECEIVED FEB 10 1967

USG/2

M. Crowe

TO CHICAGO OFFICE #148-4

73050

GX-5051

COMPETITIVE PRICE & POLICY REPORT — REQUEST FOR SPECIFIC PRICE ADJUSTMENT

Dimick Dist.	12-21-66	104	12-1-66

DRYWALL SUPPLY INC.
5860 PECOS STREET
DENVER, COLORADO

SAME
3031 NORTH NEVADA AVENUE
COLORADO SPRINGS, COLORADO
EL PASO County

ADA Block-Akron Colo.

USG COMMODITIES	UNIT	QUANTITY INVOLVED	COMPETITIVE PRICE FOR SIMILAR PRODUCT	INVOICE OR P.O. PRICE AS OF DATE	
1/2 Sheetrock Vinyl Panel Wallboard 47 1/2 x Various Lengths	M Sq Ft	C/L	194.50	204.00	195.50 per mfgr 4c an sq ft 4c's

☐ F.O.B. PLANT
☒ DELIVERED
Same 90 days
☐ FREIGHT

Sheet Rock

Mayrath Supply Co. - Colorado Springs, Colorado

Kaiser Gypsum — Walsh & Kansas — Sweetwater

Applied to Colorado for the at Mr. Bader and I protest price. We have talked to the Dry wall Contractors Paul Jensen Inc. and dealer that they could buy it from my manufacturer of Drywall for $ sum total of price shown above. Buyer

Jerry Seiler - Owner — Jerry Seiler — None

Ingram per J. Galvin

RECEIVED JAN 13 1967

SIGNED G.G. Ballew

USG 1970 (REV. 5-66) PRINTED IN U.S.A. — 73052 ORIGINAL COPY No. 203-4

GX-5051

F W Wrigley

TO: [illegible]

FROM: J.P. Galvin, Dept. #970-P

Have corrected

Apparently BW formula Zone C5-17 is:

	10-40m #
1/2" Vinyl	$190.00
Less 1/2" Reg.	41.00
Vinyl Charge	139.00
Plus 5/8 F/c Reg.	55.50
	194.50
Plus $1.00 for 47th width	1.00
BW Price	195.50
B.W. Price	

USG/2

U.S.G. formula (not yet printed in book) is:

73052

1/2" Vinyl	180.00
Plus 5/8 F/c Reg.	24.00
	204.00

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GX-5051

TO:

	#970	E.W. Duffy
	#970-S	E. Pappert
	#971	R.B. Fisher
	#970-A	W.R. Hogan
	#970-M	J.W. Bladgen
	#970-H	K.R. Eckrote
	#970-P	R.B. Spitzig
	#970-P	J.P. Moore
	#108	W. Whitenton
	#101	R.C. Sanders
	#139	J.L. Jensen
	#110	V.H. McLaughlin
	#102	T.N. Milworth
	#145-1	C.M. Evans
X	#145-2	F.V. Weiser
	#145-3	F.W. Splitteriff
	#145-4	V.H. Westbeld
	#975	

Note & Return	
Note & Forward	
Let's Discuss	
For Your Approval	X
For Your Information	
Please Handle	

Comments: Per phone - This is per phone - Jim is Silkie likes "Bulletin" para - put this [illegible] "Bulletin" para - [illegible]

USG/2 73053

FROM: #970-P - J.P. Galvin

GX-5051

970-P Mr Galvin
Jim - P/A is not
written up for [illegible] regard
#6?

GX 5069

1970

Mill Nets

Rotan	$19.03
Lorain	$32.72
Balto	$33.84
Clar. Ctr.	$32.81

(Retyped for purposes of the appendix)

GX 5070

1970

National Plant Costs
Std.

Rotan, Texas	$17.08
Lorain, Ohio	$24.83
Balto., Md.	$24.73
Clarence Ctr.	$29.64

(Retyped for purposes of the appendix)

GX 5075

Yukon Lumber Co.

Westmoreland County

1969	Amt. Below List	List 1/2"		Actual
Mar. 14	$6.38	3-5s	$48.25	$41.37
June 23	$9.88	4-5s	$53.25	$43.37
Sept. 22	$12.95	5-5s	$57.25	$44.30
Nov. 12	$15.17	6-5s	$57.25	$42.08

(Retyped for purposes of the appendix)

GX(USA)-63

M. C. Bear #147

February 13, 1962

So that there can be no misunderstanding regarding the Company's relationship with competitors, attached memorandum has been prepared to state our position.

Please read this document carefully and indicate by signing below that you have read it, understand it, and will conform with it in every way. Retain the memorandum and return this letter with signature to Dept. 150-A Chicago.

Graham J. Morgan
President

Signed H. Bear

DI(US6)-63

MEMORANDUM REGARDING RELATIONSHIPS WITH COMPETITORS
(Prepared in Cooperation with
MacLeish, Spray, Price & Underwood)

Experiences of other companies in anti-trust actions indicate a need for reiteration of the Company's position with respect to our relationships with competitors.

This Company will not have, nor countenance, any agreements or understandings with any competitor or competitors regarding the prices at which, the terms, conditions and circumstances under which, or how, or where, or to whom, we will sell our products.

Furthermore, we will not have any written or verbal communication with any competitor about future prices and selling policies. Even though communications with competitors with regard to future prices and selling policies are often not of an anti-trust significance, nevertheless, it will be our policy not to have such communications because illegal conspiracies to fix prices or to agree upon terms and conditions of sale or other selling policies are often established from inferences drawn from the conduct of competitors. By refusing to have any written or verbal communication on such subjects, we will avoid the danger of inferences being drawn of illegal conduct. If we are asked by a competitor about our future prices and selling policies, we will refuse to answer the inquiry or even discuss the subject. What our Company may do in initiating changes in our prices and selling policies, or may do in the event competitors change their prices or selling policies, is not to be a matter of verbal or written communications with any competitor. Nor will we initiate

any inquiry of any competitor regarding the future prices or selling policies of the competitor or even receive such information from a competitor.

This does not mean that the Company must operate in a vacuum or shun all contact with competitors. There are many occasions when correspondence or conversation with competitors is proper and entirely without anti-trust significance.

The Company belongs to a number of trade associations concerned primarily with promotion of industry products. We expect to continue in the work of these trade associations. But it must be no part of a trade association program to discuss the future prices and selling policies of this Company or of any competitor.

We have always insisted that the meetings and the work of any trade association to which we belong be conducted under the guidance of a qualified lawyer, and if we belong to any association that does not operate in that manner, or having operated in that manner ceases to do so, we should withdraw from the association.

In the normal course of our business we have many relationships with competitors. For example, we sell products to many competitors; we also buy products from many competitors; we have patent licenses and we have agreements regarding the exchange of mineral lands, easements and boundary lines. Correspondence and conversations in connection with such matters have no anti-trust significance, and we will, of course, continue such activities in the normal course of business.

There are occasions when the Company must try to determine the competitive situation in a market or with a customer. Such occasions usually arise when there is reason to believe that a competitor has a lower price or more favorable terms and conditions of sale and it is difficult to determine the facts either because trade factors in the market or the particular customer will not reveal the situation or there is reason to believe that the trade factors or customers are not being frank in what they tell us. Under such circumstances, we are entitled to seek information any place we can get it, and it is proper to ask competitors what prices they have charged or are currently charging, or what terms and conditions of sale they have offered or are currently offering. The competitor may refuse to answer or may even give an evasive or incorrect answer, but we are entitled to ask the question and to seek whatever information the competitor is willing to give. We will also answer similar inquiries from a competitor as to our prices and terms and conditions of sale in any market to the extent we feel it is prudent to do so. It is often advisable to answer such inquiries, because otherwise the competitor may be misinformed as to our prices and policies and answering the inquiry may avoid consequences unfavorable to the Company.

It is inevitable that as our employees go about the country in the normal course of their business they will meet competitors, and often the conversation will turn to the business in which both are engaged. There is no legal reason why we should try to avoid such normal contacts or normal business talk which may

produce information beneficial to the Company. But it is important to avoid any conversation with competitors about our or their future prices and selling policies, because such conversations--even though there is no attempt to or thought of reaching any agreement or understanding--are often looked upon with suspicion, and our policy is to avoid the subject entirely.

DX(USG)-72

DX(USG)-72

SALES AND PRE-TAX PROFIT OF REPUBLIC GYPSUM COMPANY
ON GYPSUM WALLBOARD FOR PERIOD
JANUARY 1, 1965 THROUGH JUNE 30, 1973
[FROM 1973 REPUBLIC ANNUAL REPORT]

	1965*	1966	1967	1968	1969	1970	1971	1972	1973
Sales	$1,112,000	$3,863,000	$5,254,000	$5,860,000	$6,155,000	$5,112,000	$5,427,000	$7,846,000	$12,138,00
Pre-Tax Profits	$4,000	$27,000	$419,000	$574,000	$261,000	($695,000)	($217,000)	$723,000	$1,033,00
Pre-Tax Profits as a % of Sales	.36%	.70%	7.97%	9.79%	4.24%	(13.59%)	(3.99%)	9.21%	8.51%

TOTAL SALES (8-1/2 Years) $52,767,000

TOTAL PRE-TAX PROFITS $ 2,129,000

TOTAL PRE-TAX PROFITS AS A % OF TOTAL SALES 4.03%

*Includes operations of gypsum plant for six months ended June 30, 1965

DX(USG)-138

UNITED STATES GYPSUM COMPANY

CHICAGO - ILLINOIS

USG 138

January 17, 1967

Mr. Warren Cecil
Arthur Anderson and Company
69 West Washington
Chicago, Illinois

Dear Mr. Cecil:

SUBJECT: Gypsum Commitment Register - By States, As of 12-31-66

Attached are state sheets which list the status of all gypsum products commitments as of 12-31-66.

These sheets constitute the complete listing and supersede all previously issued reports. You will note that those commitments which terminate on 12-31-66 are so indicated in the last column.

On those commitments that did not terminate on 12-31-66, we show, in the last column, the unit volume of shipments made during the period 12-15-66 to 12-31-66, inclusive. Therefore, the actual commitment as of 1-1-67 would be the original quantity shown, less shipments made and shown in the last column.

Very truly yours,

UNITED STATES GYPSUM COMPANY

F. W. Weiser Per Gms

F. W. Weiser
Manager, Marketing Policy
Gypsum and Lime

FWW:ma

cc: #131, Mr. A. J. Watt
#145-1, Mr. G. R. Evans

250-366 O - 77 - vol. 8 - 17

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DX(USG)-151

DX(USG)151
RETYPED FOR LEGIBILITY

cc: #150-A - Mr.G.J. Morgan
#150-B - Mr.E. Rambert
#146 - Mr.E.W. Duffy
#194-D-Mr.C.E. Dykes
#166 - Mr.D.C. Wright

September 29, 1967

#131-5 - Mr. A.J. Watt
#145-1 - Mr.J.L. Baldwin

MARKETING POLICY REPORT AS OF 9-25-67

1. GYPSUM

PRICE TRENDS - U.S.A.

Total Gypsum Wallboard Products

Volume for August, 1967, is estimated to be about equal to August, 1966. A slightly higher net sales average and fractionally lower costs result in gross profit increasing about 12%%.

	July '67 (Actual)	August '66 (Actual)	August '67 (Est.)	% Change from '66 August	% MO. Cum
Volume	186,703	223,781	223,000	- .3	- 15
Net Sales MS	7,601	9,020	9,098	+ .8	- 10
Net Sales Avg.	40.71	40.30	40.80	+ 1.2	+ 6
Cost Average	19.41	19.40	19.25	- .8	+ 3
Gross Profit MS	3,976	4,677	4,806	+ 3	- 8
Gross Profit Avg.	21.29	20.90	21.55	+ 3	- 9
% Net Sales	52	52	53		

Total Gypsum Sheathing

August volume is estimated at 5,700 MSF, or 111% of August, 1966. Volume shipped during 8 months, 1967, shows a decline of 24%, vs. 1966.

	Net Sales Average
July '67 (Actual)	$34.00
August '66 (Actual)	34.48
August '67 (Est.)	34.00

Total Gypsum Lath

Volume for August, 1967, is estimated at 39 MSSF, a decline of 11% from August, 1966. 8 Months, 1967, is estimated at -18%, vs. 1966.

	Net Sales Average
July '67 (Actual)	$29.57
August '66 (Actual)	28.16
August '67 (Est.)	29.50

Total Building Plaster

Estimated August sales of 54M tons reflect a 15% decline from August, 1966. Cumulative volume for 8 Months, vs. Last year, is -19%.

DX(USG)-151

Mr. A. J. Watt -2- September 25, 1967

Total Building Plaster Cont.

	Net Sales Average
July '67 (Actual)	$24.24
August '66 (Actual)	23.37
August '67 (Est.)	24.50

Total Building Lime

August volume of 12M tons would be 24% behind August, 1966. 8 Months cum. volume is down 21%.

	Net Sales Average
July '67 (Actual)	$24.63
August '66 (Actual)	23.07
August '67 (Est.)	24.80

Total PYROBAR Partition Tile

Net sales average is expected to remain at approximately $120 until the 7% price increase becomes effective at year end in the Eastern Division.

	Net Sales Average
July '67 (Actual)	$118.92
August '66 (Actual)	114.15
August '67 (Est.)	119.50

Significant Competitive Action

General

The following manufacturers have made written announcements of October 1 price increases on Gypsum Products: U.S.G., National Gypsum, Kaiser Gypsum, Georgia Pacific Corp., American Gypsum, Robertoid Gypsum, Flintkote (including Blue Diamond Division), Grand Rapids Gypsum and Celotex Corp. Pabco announced for October 2 and we have met in our Eastern Division. No letters, to our knowledge, have been sent to the trade by Republic Gypsum, Bianka, Johns-Manville or Temple-Texas, but reports from Field personnel indicate that these firms have so notified their dealer customers.

In addition to the $1.75/ton Plaster increase, a significant change has been announced relative to Retarder and Accelerator. For a number of years, virtually all Retarder shipments have been gratis. The bulletined practice has been to permit the gratis shipment of one case of Retarder and/or Accelerator with each 10 tons of Basecoat Plaster. Retarder had been priced at $1.00 per carton, or 9 1/4¢ per lb. Considerable discussion at the General Managers-Policy Managers meeting on July 20th resulted in a decision to raise our selling price to 12¢ (meeting National Gypsum) and eliminate all gratis shipments. Several potential troublesome factors were discussed by the Quality, Manufacturing and Marketing Policy Depts. at a meeting in Mr. R. J. Day's office on September 11th.

General Cont.

Plants will be alerted to the need for more careful Plaster formulation in anticipation that there may be less Retarder and Accelerator in the market. It is felt that any relaxation in this policy on the part of competition would require an immediate response from us.

Georgia Pacific - Bestwall

Georgia Pacific - Bestwall continues to be a dominant competitor, apparently gaining volume to the capacity of their plants. Discounts are allowed from U.S.G. price levels to dealers and, in some cases, to contractors and builders when they sell directly. Carload and truckload differentials are rarely maintained. By operating their plants at an estimated 110% of capacity, we believe that they have averaged an Industry Position of 15.3% for the first 7 months of 1967, with only 9.3% of Industry capacity. Georgia Pacific is extremely aggressive in the Southern, Central and Western Divisions where most of their present capacity is located.

Flintkote

The Central and Southern Divisions have reported a significant number of occasions where this competitor is believed to be meeting Georgia Pacific competition, both defensively and as an "excuse" to secure new business and establishment. Flintkote took 3 Riggs Supply Co. yards in Southern Missouri from Georgia Pacific, reportedly with a $2 price allowance. A $2 "unloading" allowance to a major account in Denver, Gardineer Drywall Co., was unsuccessful in luring the account from Georgia Pacific. In Cincinnati, it is reported that Flintkote is making a $1.50 per MSF "unloading allowance" to 2 major drywall contractors. 5% discounts are reported in Peoria and Pittsburgh.

Paboo

The Western Division reports widespread offers of price protection by this competitor, and has been granted authority to meet sale as necessary without submitting individual formal proposals in advance to Chicago management.

Gypsum Industry Capacity and Sales Estimates

The following shows the monthly Gypsum Wallboard capacity of each of the 13 manufacturers. Using Gypsum Association reports of Total Industry Sales, we estimate the volume sold by individual companies based on knowledge of their activity as gleaned from Field reports. This nation-wide Industry capacity and sales volume is distributed to U.S.G.'s Divisions, thereby permitting accurate estimates of performance within Divisions.

(See Page 4)

Gypsum Wallboard Sales

Manufacturers	Capacity Mmsf 1 Mth		Mmsf	% Indy			Mmsf	% Indy		
U.S.G.	300.6	34.2	117.1	31.1	61	91	1,496.9	31.0	56	91
National	225.8	25.8	130.0	21.6	57	96	935.0	21.4	53	96
Georgia Pacific	83.9	9.3	58.3	15.3	119	146	599.3	15.3	121	175
Kaiser	63.2	7.0	30.3	5.1	49	73	220.3	5.7	50	81
Flintkote	63.5	7.0	33.3	8.4	70	120	268.5	6.9	60	99
Jim Walter	61.1	6.8	36.0	6.0	53	86	256.0	6.6	60	97
Paboo	35.7	4.0	13.6	3.3	55	83	126.6	3.2	51	80
Bird	18.3	2.0	20.1	3.3	110	165	135.6	3.5	105	175
Celotex	14.1	1.5	13.7	2.3	97	144	89.7	2.3	91	144
Universal	9.3	1.0	5.6	.9	60	90	36.4	.9	58	90
Grand Rapids	6.6	.7	3.5	.5	50	71	30.1	.8	65	114
Domtar-Gypsic	7.3	.8	6.9	1.1	95	138	46.9	1.2	78	150
Anchor	6.3	.7	6.2	1.1	116	171	46.2	1.2	171	171
Total	903.7	100.0	483.9	100.0	69	110	3,783.2	100.0	69	159

Distribution

	Mmsf		Mmsf	
Total	24	1	5	0
[illegible]	22	13	2	1
Central	25	7	3	0
Western	9	4	0	0
Foreign & Canada	4	1	0	0
Total	69	27	10	1

Canadian Construction Products Division

Some price competition is being experienced from the Atlantic Gypsum Company quoting a $2.50 per MSF allowance against U.S.G. bulletin prices in specific counties of Nova Scotia.

Gypsum Sheathing prices have firmed and we are realizing our $2 per MSF price increase effective in January and February of this year.

Domtar is reported to have made job deliveries at no up-charge in the Montreal market. Our policy is to charge $2 per MSF up-charge for all jobsite services.

II. NON-GYPSUM

Building Steel

Sales continue to run 10 - 15% behind last year. Even though we are selling at discounts of 10% or more in most markets to meet competition, our gross profit ratio of 27% is 1% above last year. Because of lagging sales in several southern states, our industry share for 6 months 1967 is 14.3% and running below our 16% goal for the year.

National Gypsum announced a 10% increase in prices to be effective in January 1968. Although National's announcement was made in July, only Penn Metal to date has followed. We believe it likely that Milcor and Wheeling will announce before 1968, but not necessarily a uniform 10% increase. Wheeling announced a reduction in their FTC policy from 6 months price protection to 3 months, indicating this industry-disturbing policy may be discontinued under new management.

We have our Division Policy Managers poised for a price increase announcement and are only awaiting a more favorable atmosphere to announce.

Drywall Steel

Sales and profits on the major items of Studs and Runners are only equal to last year. Competitive prices continue low, and our bulletin prices are discounted 15 - 25% in most volume markets. We continue to receive reports that gypsum competitors use drywall steel as a leader to influence total job sale and that it is necessary for us to be fully competitive to protect overall profitable sales.

Insulating Board

There was no change in the competitive level of Sheathing prices; discounts are 10 - 15% below published prices in all markets. Celotex has announced another price increase on Sheathing and several other competitors are following. We are following closely and will make a recommendation when we feel it is appropriate. All three of our plants are backlogged 3 - 4 weeks and this has influenced our timing.

We announced an average $5.00 per MSF price increase on all tile products to be effective October 1. We strongly believe the price increase will take, although there will be some continued discounting from the higher level.

Asphalt Roofing

The 5% price increase that was announced to be effective in July is being fully realized at Jersey City and St. Paul. We had 2 - 3 weeks carryover of unshipped orders which we had to protect.

During August, we announced another 3% list price increase from these plants. Our major competitors reduced the jobber consideration from 7% to 5% and we made a similar announcement. With these two price increases, prices are now back to late 1966 price levels. They will not permit us to equal company gross profit ratio of 18% achieved in 1966. The best we can expect for the year is approximately 14 - 15%. At this late date in the year with sales volume still off due to potential, there appears to be little hope of improving South Gate prices during 1967.

Mineral Fiber Wool

We announced a $1.00 per MSF price increase in all zones to be effective September 18. Only one of three slag wool producers in the south have to our knowledge announced new prices. We have extended our date at Birmingham to September 25. Elsewhere it appears we are in good position to realize the increase.

Joint Treatment

Although selling prices appear to be declining marginally, we are holding our gross profit ratios. Our 1967 sales and gross profit are off about 15% from last year. Both National Gypsum and Bestwall are extremely aggressive with lower prices where their industry share is low.

Sound Control

To be competitive in California, we announced wholesaler prices on contractor tile products. We had previously extended a 15% discount to wholesalers. The result of our action should be about a 5% price increase. It has been reported that Simpson has extended wholesaler prices on contractor products to the Salt Lake City market.

JLB/hk

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DX(USG)-152

cc: §150-4 - Mr. G. J. Morgan
§150-2 - Mr. F. Rambers
§150-9 - Mr. C. E. Tyhus
§146 - Mr. E. W. Duffy
§166 - Mr. D. C. Wright

§131-5 - Mr. A. J. Wahl
October 30, 1967

§145-1 - Mr. J. L. Baldwin

Marketing Policy Report as of 10-20-67

DX (USG) 152

ADMITTED

1. Gypsum

Price Control

Wallboard

Estimated September shipments were 380,000 MSF. Included was an inventorying cargo correctly projected at approximately 120,000 MSF. Estimated net sales average of $40.10 reflects heavy shipments into Southern Division (lowest plant nets in Company) and rail freight increases effective 9-19-67. We expect the October 1 price increase in 37 states to raise the net sales average $1.20.

Third Quarter estimated results show improvement over the previous Quarter and 3rd Quarter, 1966, due primarily to excellent August and September volume.

Fourth Quarter estimated results reflect declines in volume and gross profit which would yield total 1967 gross profit about $1,000,000 less than that attained in 1966.

	3rd Qtr. 1967 (Actual)	3rd Quarter 1967 (Est.)	3rd Quarter 1966 (Actual)	4th Quarter 1967 (Est.)	4th Quarter 1966 (Actual)	12 Months 1967 (Est.)	12 Months 1966 (Actual)
Volume MSF	380,709	389,000	400,000	340,000	340,000	2,155,678	2,401,000
Net Sales $	20,521	20,000	20,000	17,680	20,000	107,000	94,121
Net Sales Avg.	41.47	40.40	40.00	43.00	40.40	41.96	39.15
Cost Average	19.60	18.78	19.30	22.00	19.70	19.49	19.22
G.P. $	10,936	15,722	13,142	9,430	10,415	46,079	47,230
G.P. Average	21.07	21.65	20.37	23.00	20.42	22.75	19.95
% Net Sales	53%	53%	50%	53%	51%	53%	51%

	Net Sales Avg.
Aug. '67 (Actual)	40.04
Sept. '67 (Actual)	39.13
Sept. '67 (Est.)	40.10

	9 Mo. '67	$ Change 9 Mo. 1967 vs. 1966
Volume	1,775,678	- 3%
Net Sales $	71,441	+ 5%
Net Sales Avg.	40.12	+ 5%
Cost Average	19.77	+ 2%
G.P. $	37,649	-2%
G.P. Average	21.45	+ 9%

Gypsum

Estimated September volume was 380,000 MSF at a net sales average of $33.90. This average reflects a decline of 10¢ per MSF resulting from the recent rail freight increase. Since wallboard prices were not increased October 1, we expect the current net sales average to continue throughout the 4th Quarter.

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Mr. A. J. Wahl — October 30, 1967

Building Cost.

	3rd Qtr. 1967 (Actual)	3rd Quarter 1967 (Est.)	3rd Quarter 1966 (Actual)	4th Quarter 1967 (Est.)	4th Quarter 1966 (Actual)	12 Months 1967 (Est.)	12 Months 1966 (Actual)
Volume MSF	14,777	15,000	15,000	11,000	15,000	57,000	64,000
Net Sales $	519	537	537	473	573	1,977	2,143
Net Sales Avg.	35.13	35.80	35.80	43.00	38.20	34.68	33.48
Cost Average	24.13	25.42	24.24	28.00	25.42	26.05	25.46
G.P. $	156	173	156	135	151	563	563
G.P. Avg.	10.58	10.98	10.58	9.30	8.81	10.19	8.80
% Net Sales	30%	32%	29%	28%	26%	28%	26%

	Net Sales Avg.
Aug. '67 (Actual)	35.04
Sept. '67 (Actual)	35.13
Sept. '67 (Est.)	33.80

	9 Mo. '67	$ Change 9 Mo. 1967 vs. 1966
Volume	43,247	-32%
Net Sales $	1,512	-16%
Net Sales Avg.	34.97	+ 4%
Cost Average	25.38	- 3%
G.P. $	443	- 7%
G.P. Average	10.22	+16%

Lath

Estimated September volume was 11 MSF (-26.8%). Forge buyin in advance of the price increase brought Quarterly volume slightly ahead of 3rd Quarter, 1966. Estimated September net sales average was $39.50 reflecting a 12¢ decline due to the rail freight increase.

	3rd Qtr. 1967 (Actual)	3rd Quarter 1967 (Est.)	3rd Quarter 1966 (Actual)	4th Quarter 1967 (Est.)	4th Quarter 1966 (Actual)	12 Months 1967 (Est.)	12 Months 1966 (Actual)
Volume MSF	41,635	42,000	57,000	31,000	43,000	135,635	165,000
Net Sales $	2,722	2,730	3,420	2,275	2,666	11,375	12,612
Net Sales Avg.	39.10	63.50	37.27	33.40	31.09	37.37	37.40
Cost Average	25.12	25.71	25.32	25.30	25.04	25.63	25.08
G.P. $	1,077	1,730	1,430	1,105	1,115	5,251	5,235
G.P. Average	13.33	13.17	12.95	13.15	11.73	13.74	11.71
% Net Sales	40%	40%	42%	40%	42%	46%	42%

	Net Sales Avg.
Aug. '67 (Actual)	39.00
Sept. '67 (Actual)	39.73
Sept. '67 (Est.)	39.50

	9 Mo. '67	$ Change 9 Mo. 1967 vs. 1966
Volume	107,635	-35%
Net Sales $	9,240	+ 7%
Net Sales Avg.	37.13	+ 7%
Cost Average	25.42	+.46
G.P. $	4,255	+.2%
G.P. Average	23.63	+17%

Plaster

Estimated September shipments were 95 M tons, about 2 to 3% below September, 1966, due to a continuing decline in Plaster usage and a somewhat lower industry position. We expect the October 1 price increase in 37 states to raise the net sales average $1.50.

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DX(USG)-152

Mr. A. J. Yates — October 20, 1967

Fiberglas Cloths

	Net Sls. 1967 (Actual)	Net Shipments 1967 (Plan)	Net Shipments 1966 (Actual)	4th Quarter 1967 (Plan)	4th Quarter 1966 (Actual)	12 Months 1967 (Plan)	12 Months 1966 (Actual)
Volume Tons	142,...	157,...	117,...	40,...	32,...	556,...	497,...
Net Sales $	3,571	3,...	4,...	1,...	1,...	13,...	15,...
Net Sales Avg.	25.20	24....	23....	25....	24....	24....	30....
Cost Average	15.20	15.07	14....	15....	15....	15....	14....
G.P. $	1,...	1,...	1,...	1,...	1,...	5,...	5,...
G.P. Average	9.20	9.20	9.00	9....	9....	9....	9....
% Net Sales	37%	34%	33%	31%	37%	36%	33%

	Net Sales Avg.
Aug. '67 (Actual)	...57
Sept. '67 (Actual)	23....
Sept. '67 (Est.)	24.60

	2 Mo. '67	$ Change 2 Mo. '67 vs. 2 Mo. '66
Volume	13,...	-2...
Net Sales $	10,727	-4...
Net Sales Avg.	24....	+ 6...
Cost Average	15.30	+ 3...
G.P. $	4,...	-45...
G.P. Average	9....	+ 8...

Building Cloth

Estimated September volume was 12,000 tons, slightly lower than September, 1966. The current sales average is expected to continue through the 4th Quarter.

	Net Sls. 1967 (Actual)	Net Shipments 1967 (Plan)	Net Shipments 1966 (Actual)	4th Quarter 1967 (Plan)	4th Quarter 1966 (Actual)	12 Months 1967 (Plan)	12 Months 1966 (Actual)
Volume Tons	13,...	15,...	12,...	3,...	2,...	49,...	39,...
Net Sales $	...11	...7	277	7.0	7.9	1,114	1,705
Net Sales Avg.	26....	24....	23....	25....	25....	23....	23.60
Cost Average	14....	14....	14....	15.00	15....	15....	14....
G.P. $	3.7	...6	...4	273	86.3	1,...	1,...
G.P. Average	9.51	...7	9.73	8.40	9.32	9.01	9.06
% Net Sales	33%	33%	37%	33%	34%	37%	34%

	Net Sales Avg.
Aug. '67 (Actual)	...4
Sept. '67 (Actual)	23....
Sept. '67 (Est.)	24.60

	2 Mo. '67	$ Change 2 Mo. '67 vs. 2 Mo. '66
Volume	2,...	-1...
Net Sales $	2,...	-1...
Net Sales Avg.	24....	+ 6...
Cost Average	15.35	+ 3...
G.P. $	...2	-1...
G.P. Avg.	9.18	+ .0...

Industrial Division Tile

The current net sales average of [illegible] is expected to hold throughout the 4th Quarter and will improve after the Southern Division's increase becomes effective 2-1-68.

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Mr. A. J. Yates — October 20, 1967

FIBERGLAS Partition Tile Cont.

	Net Sls. 1967 (Actual)	Net Shipments 1967 (Plan)	Net Shipments 1966 (Actual)	4th Quarter 1967 (Plan)	4th Quarter 1966 (Actual)	12 Months 1967 (Est.)	12 Months 1966 (Actual)
Volume TIF	4,...	3,...	4,...	1,...	1,...	14,...	14,...
Net Sales $	931	849	976	234	3...	3,...	2,...
Net Sales Avg.	113....	113.37	113....	113....	113....	113....	112....
Cost Average	80....	77....	80....	79....	79....	78....	67....
G.P. $	1...	1...	1...	1...	1...	4...	4...
G.P. Average	37....	41....	33....	34....	34....	34....	44....
% Net Sales	31%	32%	43%	34%	33%	34%	40%

	Net Sales Avg.
Aug. '67 (Actual)	...57
Sept. '67 (Actual)	112....
Sept. '67 (Est.)	110.50

	2 Mo. '67	$ Change 2 Mo. '67 vs. 2 Mo. '66
Volume	2,...	- 6...
Net Sales $	1,...	- 8...
Net Sales Avg.	113....	+ 7...
Cost Average	78....	+17...
G.P.$	3...	-13...
G.P. Average	34....	-11...

GENERAL OR ADMINISTRATIVE ITEMS

General

Our 12-1-67 price increase on Gypsum Products was postponed until 1-1-68 in the states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. This action resulted from a published 9-67-7 announcement to customers by Georgia Pacific Corp. The announcement stated that because it was "apparent that extensive competitive price protection on specific jobs" was being offered in these states, their previously published prices would become effective 12-1-67instead of 10-1-67. By consensus of U.S.G. executives, our increase was postponed in these 11 states until 1-1-68. To date, we have no clear evidence that the postponement is structurally beyond the inflated price lines. It is to be noted that small portions of the Southern Division (new Mexico and southern Colorado) and General Division (Colorado and southeastern Wyoming) are affected.

We estimate the adverse effect of the postponement on corporate plant note as follows: total Gypsum Wallboard, 75¢ per .467; total Gypsum Lath, 42¢ per .467; and total Building Plaster, 20¢ per ton.

Georgia Pacific

This competitor's industry position is believed to have declined during August and September due to a temporary rise in industry utilization of capacity. However, in the event a material decline occurred, it is expected that Georgia Pacific's industry position will return to a level of 15 or 16%, with operating rates continuing at or near capacity.

Georgia Pacific has extended their warehouse operation in our Eastern Division premium allocation mill lines of building Gypsum Board products in their warehouses at Asbury Park, Morristown, N.J., and Lancaster, Pa. Until last month, all 17 GP warehouses in the Eastern Division had planned only Viapt Wallboard.

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RETYPED FOR LEGIBILITY

Mr. A.J. Wert -5- October 20, 1967

John-Manville

This nation-wide concern has become and will likely continue to be active with 1 or 2 principal outlets in major markets.

Flintkote

Evidence is growing that this competitor is becoming more aggressive. Field reports indicate that they (a) postponed their 10-1-67 price increases until 10-15-67 in 24 Texas flood disaster counties, and (b) have offered rail car unloading allowances to dealers in Southern California.

American, Texas, Republic, Dierks

These manufacturers continue to extend price discounts as necessary to maintain 100% utilization of capacity. At this operating level, they can ship almost 50 MSF of Wallboard per month.

Pabco - Kaiser

Widespread offers of job protection by these two manufacturers are believed to have triggered GP's price increase postponement. Both Pabco and Kaiser are selling directly to drywall contractors in seven counties of Southern California; both are permitting plant pick-ups and allowing freight to destination.

National

We believe that this manufacturer went into the surge period with heavy plant inventories. They were aggressive in securing surge orders, extending credit support to their own accounts and to some previously competitive outlets. It has also been reported that National has offered more job protection, although they are less active in this regard than other major competitors.

GYPSUM INDUSTRY CAPACITY AND SALES ESTIMATES

Using Gypsum Association reports of Total Industry Sales, we continue to estimate the wallboard volume sold by individual companies based on our knowledge of capacity and with field reports on their activity. By distributing Industry capacity and sales volume to U.S.G.'s Construction Products Divisions, we estimate each manufacturer's performance within our Divisions.

August and cumulative 8 Month data bring to light some interesting and significant changes. Industry volume increased from 602,900 MSF in July to 714,000 MSF in August, raising capacity utilization from 67% in July to 79% in August. U.S.G.'s percent of utilization increased from 61% to 72.5%. U.S.G.'s Industry Position increased from 31.1% to 31.3%. (NOTE: Industry shipments shown in this report include sales by Dierks of 20 MSF/month. Since Dierks is a non-member, Association figures omit sales of this prominent 1-plant producer.)

As expected, when Industry utilization of capacity increases, Georgia Pacific's industry position declines. In July, we estimated that Georgia Pacific had 15.3% of Industry sales. In August, with over 100 MSF additional Industry sales, Georgia Pacific's position declines to 13.5%.

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Mr. A. J. Wert -6- October 20, 1967

U.S.G.'s September millboard shipments are estimated at [illegible], or 114% of capacity utilization. Industry sales are estimated at 1,070 MSF, or 110% of capacity utilization. We estimate GP's sales at [illegible] (119% utilization), bringing their Industry position down to about 14%.

	Capacity	Millboard Sales							
		[illegible]				[illegible]			
Manufacturers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Industry	909.7	1005	714.0	1005	79.0	100	4,027.1	1026	GA	100

[illegible] - AS OF 10-13-67

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Mr. L. M. Tollett reports no significant changes in Gypsum prices or policy.

cc: f150-4 - Mr. G. J. Morgan
f150-8 - Mr. E. Pentecost
f150-9 - Mr. C. E. Pyles
f146 - Mr. E. V. Duffy
f166 - Mr. D. C. Wright

f131-5 - Mr. A. J. Watt

November 16, 1967

f145-1 - Mr. J. L. Baldwin

Marketing Policy Report as of 11-16-67

I. GYPSUM

Price Actions

Wallboard

Estimated October volume was 127 MMSF (41% of capacity vs. 111% in September), or minus 3% vs. October, 1966. Estimated net sales average of $13.45 reflects variations in volume among Divisions, postponement of the 10/1 price increase in 11 Western States, and some shipments under Management-authorized P/As below bulletin prices.

The 4th Quarter and 12 Months 1967 estimates made 30 days ago anticipated the October performance shown and we still believe these estimates to be accurate.

	Sept. '67 (Actual)	Oct. '66 (Actual)	Oct. '67 (Est.)	% Change from 1966 Oct.	% Change from 1966 12 Mos.
Volume MSF	142,745	142,175	127,000	-11	-2
Net Sales $	13,670	7,366	5,213	-29	-4
Net Sales Avg.	$0.85	$0.26	$3.45	+8	+5
Cost Average	10.20	10.73	10.00	+1	+1
Gross Profit $	7,400	3,779	2,770	-20	-.5
Gross Profit Avg.	$1.77	$0.72	$3.45	+14	+9
% Net Sales	54%	51%	54%		

Sheathing

Estimated October volume was 5,700 MSF, an increase of 3% over October, 1966, reflecting the improved level of residential construction. Our Industry position, however, continues to decline, indicating a greater price weakness in Sheathing than in other Gypsum Board Products. Cumulatively, our 10 months shipments are 14% below 1966.

	Net Sales Average
Sept. '67 (Actual)	$33.90
Oct. '66 (Actual)	33.45
Oct. '67 (Est.)	33.00

Lath

Estimated October volume was 22 MSF, -33% from October, 1966, reflecting heavy September buying in advance of the 10/1 price increase.

Mr. A. J. Watt -2- November 16, 1967

Lath Cont.

	Net Sales Average
Sept. '67 (Actual)	$29.04
Oct. '66 (Actual)	21.50
Oct. '67 (Est.)	31.70

Plaster

The estimated September surge of 13 to 12½ tons (against a $1.75 price increase effective 10-1) led to estimated October volume of 95½ tons, a reduction of 35% from October, 1966.

	Net Sales Average
Sept. '67 (Actual)	$24.71
Oct. '66 (Actual)	23.34
Oct. '67 (Est.)	26.00

Building Lime

	Net Sales Average
Sept. '67 (Actual)	$24.19
Oct. '66 (Actual)	24.34
Oct. '67 (Est.)	24.60

Gypsum Partition Tile

	Net Sales Average
Sept. '67 (Actual)	$120.21
Oct. '66 (Actual)	117.35
Oct. '67 (Est.)	110.50

General

October business was shipped at the new price level (Wallboard average increase is $3.70 per MSF) except as follows:

1. In 11 Western States the increase was postponed until January 15, 1968.

2. In 27 Texas counties (declared a hurricane disaster area) the increase was postponed for 2 weeks.

3. In each Division, shipments were made under approved P/As as reflected in the following table:

General Cont.

TOTAL GYPSUM BOARD P/As

Division	Discounts: Number Announced	Discounts: Number Pending	Job Protection: Number Announced	Job Protection: Number Pending
Eastern	4	2	17	3
Southern	20	-	13	1
Central	12	1	13	3
Western	15	1	2	-
National Accts.	1	2	4	-
Total	52	6	71	7
Chg. from Oct. 11	+12	-1	+39	-4

PLASTER P/As

Eastern	-	-	4	-
Southern	1	-	14	-
Central	2	-	6	-
Western	-	-	1	-
Total	3	-	27	-
Chg. from Oct. 11	+1	-1	+10	-5

The "price alone" P/As involve or protect 217 MSF of annual volume. The "job protection" P/As protect a declared footage of 124 MSF. Combined, this footage represents 15.5% of estimated 1967 sales of 2,200 MSF. The effect of these P/As on our composite net sales average has been weighted into all estimates made herein.

Formal price and policy announcement letters to our Western States dealers are now being routed for Management consideration and decision. It appears advisable to formally notify our customers reconfirming the prices and policies that will become effective January 15, 1968. Two factors are believed important. Postponement of the price increase was handled verbally by salesmen with customers and contractors. Thus it would appear advisable to clarify our position by formal announcement. More important, perhaps, is the jeopardy to nation-wide net sales average should the Western States price increase continue to be deferred, along with the likely spreading of allowances and/or job protection. As long as our 11-state price postponement continues, our U.S.A. composite plant net sales average are adversely affected by 50¢ per MSF on Wallboard, 40¢ per MSF on Lath, and $3 per ton on Plaster.

So far, the policy of eliminating profit shipments of Retarder and Accelerator has not been a competitive problem. However, we remain alert to deletions in dealer quotations covering shipments of Retarder invoiced at the increased price of $1.50 per carton. Managers of Division Administration have been asked to notify Marketing Policy on this matter.

SIGNIFICANT COMPETITIVE ACTION

Western Division
In the Central States changes have been fast moving and significant. Several manufacturers started direct invoicing and shipping to drywall contractors who had previously purchased through dealers. Flintkote and later National Gypsum reduced selling prices to dealers by $1.00 per MSF on 1/2" Board and $2 on 5/8" Board,

Significant Competitive Action Cont.

in an apparent effort to make it possible for major dealers to quote major contractors who were being invoiced at dealer bulletin prices. Following this, a number of major contractors were extended prices of "dealer bulletin' less 5%. In addition, the $1 per M truckload premium is being broadly waived and job site delivery is being furnished at no charge. Manufacturers taking such shipments are, in effect, in the retail business. Most of this activity is in the Los Angeles and San Francisco Bay Area, but there is some evidence that it could spread to Oregon, Washington and Arizona. A summary of our approved Gypsum Board P/As to meet competition in the Western Division shows that of 15 "price" P/As, 3 apply to contractors when we sell direct at discounts below dealer bulletin price (all are approved to 12-31-67). Estimated annual footage involved in our "price" P/As is 90,175 MSF. Under Job protection P/As, we have 2,040 MSF. Combined, this 93 MSF represents 32% of the 1967 Division Wallboard sales as estimated by Merket Research.

Eastern Division
Competitive activity has centered in the Philadelphia and Washington areas and, to a lesser extent, in the Metro New York-New Jersey area. In this Division, we have protected 17 customers on jobs totaling approximately 30 MSF. Four "price" P/As meeting lower prices to dealers (the lowest is bulletin prices prior to 10-1-67 - less 5%) protect annual volume of approximately 23 MSF. The combined footage being sold below bulletin prices to meet competition presently represents approximately 1% of the Eastern Division's estimated 1967 sales.

Central Division
Competitive activity on Gypsum Wallboard has intensified in the Dayton, Cincinnati and Louisville markets, primarily by Johns-Manville shipping from Georgia Pacific's Grand Rapids, Michigan Plant. Division reports establish a pattern of Georgia Pacific broadly offering price protection on jobs for 4th Quarter requirements. Terra Gypsum has moved northward, shipping from Georgia Pacific's Grand Rapids, Michigan plant. They are the major supplier to Prinzship Materials in Detroit and Everwood Drywall in Dayton. Our only price information to date is the statement by Everbest that a quantity discount incentive was provided by Terra Gypsum.

In St. Louis, the Georgia Pacific warehouse has built an inventory of approximately 1 1/2 to 2 MSF; it is likely that this inventory will be sold on a price incentive basis. A major St. Louis dealer, Kaplan Lumber, widely distributed a price list effective October 23 which lists pick-up prices equivalent to U.S.G.'s current 10-904 carload delivered price. Kaplan's current suppliers are American and Republic.

In Kansas City and Denver, Division Management feels they have definite confirmation that American is granting a 10% reduction from current prices on a large apartment job and shopping center. Pierce is believed to be selling at a 5% discount and/or protecting pre-10-1 prices to year end in Kansas City, Springfield, Topeka, Columbia and Kirksville, Mo., markets.

Gypsum Wallboard P/As in the Central Division total 30, 12 "price" and 18 "protection." Total estimated Wallboard volume being sold below bulletin prices to meet competition represents approximately 12% of estimated 1967 annual sales.

Southern Division
Division reports that Georgia Pacific, Pierce and Republic apparently continue to sell Wallboard at their pre 10-1 prices--particularly in Houston, Dallas, San Antonio and El Paso, Texas. Mr. O'Brien reports that this practice is quite different from the relatively common job protection practices of these competitors in other parts of the Division.

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Southern Division (cont.

Celotex and Flintkote are apparently selling at pre 10-1 prices less 5% to selected accounts in Dallas, Houston and San Antonio. In some cases, the discount is off the 10-1 prices.

Other reports of discount involve Johns-Manville, Kaiser, National Gypsum and Temple, with most situations in the Southwest, rather than in the Southeast and Southwest areas.

Southern Division Wallboard F/As total 53, 33 of them are "protection" for specific jobs (some are military), and 20 are "price." The estimated footage involved is 70 MSF on an annual basis which represents 19% of our Gypsum Wallboard volume.

Canadian Division

Price levels are generally firm. After a study of manufacturing and transportation costs, it is probable that a price increase proposal will be presented for Management consideration and approval with an effective date projected for March 1, 1968.

Competitive Warehouse Operations

During October National Gypsum formally opened their full-line warehouse in Atlanta. They make truck shipments to dealers within a 6-county Metro Atlanta area (Zone A). Their Zone B covers the Georgia, Alabama, North Carolina, South Carolina and Tennessee counties in a 125-mile circle beyond Zone A. Pick-up or delivery prices of Gypsum Products in National's Zone A are approximately $1 above U.S.G.'s mill price and approximately $1 below U.S.G.'s bulletined truckload price. By F/A we are meeting these National truck delivered prices in Zone A. No price action is necessary by U.S.G. in the outlying Zone B area since truck prices delivered from the National Atlanta warehouse are higher than U.S.G.'s truck delivered prices from our producing plants. Latest reports are that our Gypsum business in Atlanta has not been adversely affected by this competitive facility. However, it is possible that the availability of many Non-Gypsum products may adversely affect our market position on such products.

Capital Expenditures and Sales Estimates

The September, 1967 and cumulative 9 Months, 1967 USG and Industry sales and capacity utilization, estimated 30 days ago, proved accurate. As believed for some time, when Industry utilization of capacity increases, Georgia Pacific's position declines. In July, we calculated that Georgia Pacific had an Industry Position of 15.3. In August with over 100 MSF additional sales, their position declined to 14.3. With Industry shipments in September at 1,240.2 MSF (11.5 of capacity), their estimated position was 9.6.

Gypsum Industry Capacity and Sales Estimates Cont.

Manufacturers	Wallboard Capacity Per Month MSF	%	Wallboard Sales Gypsum, 12-7 MSF	% Duty	Utilization % Ratings	9 Months, 1967 MSF	% Duty	Utilization % Ratings
U.S.G.	330.5	34.1	363.3	33.6	111	99	1,778.4	31.5	54	52
National	225.8	23.0	248.3	24.3	110	97	1,236.4	22.1	61	53
G. Pacific	93.9	9.3	100.7	9.3	120	105	772.0	14.1	105	152
Kaiser	63.2	7.0	69.5	6.3	110	97	334.0	5.9	92	84
Flintkote	63.5	7.0	76.2	7.4	120	106	401.9	7.1	79	101
Jim Walter	61.1	6.8	73.3	7.2	120	105	372.3	6.6	68	97
Paco	35.7	4.0	37.5	3.6	105	90	197.1	3.3	57	83
Bigrus	18.3	2.0	22.0	2.1	120	103	178.6	3.2	100	146
Republic	14.1	1.6	16.9	1.7	120	106	122.1	2.2	96	130
Roberoid	9.3	1.0	11.2	1.1	120	110	58.1	1.0	65	100
Grand Rapids	6.6	.7	7.2	.8	120	114	40.6	.8	72	114
Texas-Temple	7.3	.8	8.8	.9	120	113	63.0	1.1	96	139
Americas	6.3	.7	7.6	.7	120	108	39.3	1.1	125	157
INDUSTRY	965.7	100%	1,036.2	100%	113	100	5,631.3	100%	69	100

II. [illegible]

Building Board

Milcor announced new January, 1968 prices similar to those previously announced by National Gypsum and Penn Metal. To date, we have only verbal reports of similar action by Wheeling. A U.S.G. announcement is being prepared.

Drywall Steel

We continue with little sales or profit improvement. All Divisions recognize the unhealthy pricing condition, but do not believe any price leadership on the part of USG would be followed by competition, especially the regional steel specialty companies.

Insulation Board

It appears that the Tile price increase effective in early October will be realized. The Sheathing price increase also effective in October is moderately effective. There is some continued discounting on Sheathing in the Florida-Temple areas of influence.

We also are realizing the Sheathing and Cove-Base increases announced in October. We are attempting to upgrade prices in the Midwest and Eastern areas where Barrett has been a factor. It appears Celotex is attempting to clean up Barrett situations and the numerous price changes recently make enable us to withdraw price exceptions.

We continue to be badly oversold from all plants and in short supply on Textile Mineo products. Celotex and Armstrong have announced price increases on M.I. Ceiling Board and Sheathing products and we are announcing increases for December 15th.

Mr. A. J. Watt -7- November 15, 1967

Asphalt Roofing

Roofing gross profit results are beginning to reflect the 5% increases made in July and September. September gross profit ratio was 14%, raising 1967 cumulative results to 12%.

The price increase we announced from South Gate to recover pallet costs was rescinded. Instead, we published to be effective November 20 prices competitive to Certain-teed. These prices represent a 4% decrease in list prices, but after elimination of extra discounts should mean a net 10% increase in realizing prices. If successful, the end result will be better than our pallet cost recovery plan.

Mineral Siding

No change in competitive conditions.

Mineral Fiber Board

We are realizing the $1.00 per MSF increase in list prices that was effective in September on blankets. Chain discounts of from 2 - 4 O's are reported available from competition.

Joint Treatment

There has been no price deterioration in this product group in recent months. We have submitted a proposal to publish new prices to be effective in January 1968. Proposed prices will represent an approximate 5% increase over present competitive prices on a zone basis. We are faced with a 3% cost increase on cans for Ready Mix which provides the opportunity to attempt realized price improvement.

Sound Control

We obtained management approval to rescind our previously announced net wholesaler prices on Acoustone and Auratone in California. Conwed and National Gypsum have followed Armstrong in announcing a 1¢ reduction in Fire Rated Auratone products. We plan to follow.

Prof. Book

Nothing significant to report.

Canada

The Asphalt Roofing price changes we announced for Winnipeg and Vancouver plant areas were followed by competition with only minor variations.

JLH/bk

cc: §150-A - Mr. G. J. Morgan
§150-H - Mr. P. Norbert
§194-B - Mr. C. E. Dykes
§166 - Mr. L. W. Duffy
§166 - Mr. D. C. Wright

§131-5 - Mr. A. J. Watt December 15, 1967

§145-1 - Mr. J. L. Baldwin

Marketing Policy Report as of 12-15-67

RI (BSE) 154

I. [illegible]

[illegible]

Wallboard

Estimated November volume was 190 MSF (49% of capacity vs. 41% in October). If December sales continue at the November level, our year end net sales dollars will be -4% from 1966, but gross profit dollars should show a slight increase (estimated at this time to be +.5%).

	Oct. '67 (Actual)	Nov. '66 (Actual)	Nov. '67 (Est.)	% Change from 1966 October	% Change from 1966 11 Months
Volume MSF	188,053	199,480	190,000	-11%	-2%
Net Sales $	8,241	8,764	8,512	- 4%	-4%
Net Sales Avg.	43.76	40.05	43.65	+ 9%	+9%
Cost Average	19.57	19.62	19.50	- 2%	+.6%
Gross Profit $	3,852	3,415	3,603	+ 5%	-.1%
Gross Profit Avg.	24.13	20.22	23.95	+18%	+10%
% Net Sales	55%	50%	55%		

Sheathing

Estimated November volume was 5,000 MSF, a 25% increase over November, 1966. This will be the 4th consecutive month our Sheathing volume has increased over last year. However, the 11 Months cum. is down 12% from 1966.

	Net Sales Avg.
Oct. '67 (Actual)	[illegible]
Nov. '66 (Actual)	35.00
Nov. '67 (Est.)	~~35.00~~ 32.50

Lath

November volume estimate is 24,700 MSF, -20% from November, 1966.

	Net Sales Avg.
Oct. '67 (Actual)	[illegible]
Nov. '66 (Actual)	29.40
Nov. '67 (Est.)	31.70

Plaster

	Net Sales Avg.
Oct. '67 (Actual)	[illegible]
Nov. '66 (Actual)	25.62
Nov. '67 (Est.)	26.20

Building Line

	Net Sales Avg.
Oct. '67 (Actual)	[illegible]
Nov. '66 (Actual)	24.24
Nov. '67 (Est.)	24.50

[illegible] Partition Tile

	Net Sales Avg.
Oct. '67 (Actual)	[illegible]
Nov. '66 (Actual)	115.56
Nov. '67 (Est.)	119.50

General

On December 1st, we announced to our customers in 11 Western States that prices on all Gypsum Products will increase January 15, 1968. Here are the estimated effects on weighted net sales averages:

Wallboard

The increase averages $2.39 per MSF as compared with the previously announced increase (postponed from 10-1-67) which averaged $3.66 per MSF in the Western Division. Therefore, total U.S.A. increase which was to have averaged $3.70 per MSF will be lessened to $3.53 per MSF.

Sheathing

This product group was not increased in price, either on 10-1-67 or 1-15-68.

Lath

The original increase on lath averaged $2.70 per MSF. In the 11 Western States, the 1-15-68 increase is only $1.91. As a result, the weighted average increase throughout U.S.A. declines from an original estimate of $2.70 to $2.52.

Plaster

The 1-15-68 increase is $1.85 per ton, vs. $1.75 per ton in the balance of the U.S.A. effective 10-1-67. Therefore, Total U.S.A. net sales average change will be reduced an estimated 6¢ per ton as a result of the lower West Coast price increase.

Total Gypsum Board & Plaster P/A's

Division	Number Accepted	Number Pending	Job Protection Number Accepted	Job Protection Number Pending
Eastern	9	8	11	4
Southern	20	8	15	1
Central	17	-	22	-
Western	28	4	3	-
National Acct.	5	2	4	2
Total	79	8	55	5
Change from Nov. 15	-65	-4	+22	-4
PLASTER				
Eastern	-	-	6	-
Southern	1	-	14	-
Central	1	-	9	-
Western	-	-	2	-
Total	2	-	31	-
Change from Nov. 15	-1	-	+4	-

Total Gypsum Board P/A's

The "price alone" P/A's involve, or protect, 370 MSF of annual volume. The "job protection" P/A's protect a declared estimated footage of 145 MSF. Combined, this footage represents 29% of estimated 1967 sales of 2,261 MSF, up from 16% of estimated annual sales, reported 30 days ago.

Plaster P/A's

"Job protection" P/A's total 31, but cover over 100 jobs. The total tonnage for which we are committed, mostly at the old price level, is 201,877 tons or 42% of our current annualized Plaster volume. However, one of these jobs is Western Division's Presidential Housing for 100,000 tons, not yet started, but protected since early 1966. Removing this protection which is likely to spread over 2 or 3 years, the total is reduced to about 102,000 tons, or 21% of our current annual sales of 473,000 tons. The dollar amount of protection would average $1.75 per ton so that, if the protected amount does not increase, the adverse effect on our U.S.A. composite plant net would be between 3¢ and 4¢.

[illegible] Competitive Action

Western Division

The California changes reported 30 days ago (broadly invoicing direct to drywall contractors, initially at "bulletin", now at "bulletin less 2%"; waiving the $1 truckload premium; and delivering trucks to jobsites) have become virtually universal.

Western Division Cont.

In addition, several major dealers are apparently realizing as good or better profit in Gypsum Wallboard by acting as Kaiser's trucker. For the trucking operation, they have 2 sources of revenue:

1. Being paid by the manufacturer the truck rate for delivering (generally to a jobsite).

2. Being paid by the drywall contractor (about $3 per M) to "stock" the job.

We are attempting to learn further details on this type of arrangement, for it is apparently yielding Kaiser considerable business. Payments for trucking from various points of origin to a specific large tract job could very widely and open numerous possibilities for dealer-stockers to influence brands preferred.

Gypsum Board P/A's now cover 150 MSF of annual volume. Such footage represents about 5 % of estimated current annual sales of 271 MSF. Almost all of this footage is "5% price discount" against current price of $45 in Southern California ($42.75 less cash discount of 2% and 5%). As of 1-1-68, 1/2" SHEETROCK increases $2.25. It is possible that we could have numerous requests to protect shipments well into 19.. at current level.

Eastern Division

Selective price action to meet competition and reverse a declining industry position trend has been taken in Philadelphia, Washington, Baltimore and Long Island. It is believed to be sufficient for the short term. Competitive discounts from published prices in the balance of the Division appear to be few in number.

Gypsum P/A's now "protect" about 110 MSF (7% of current annual sales).

Central Division

Gypsum Pacific is reported to have a price guarantee for over a year's time in Indianapolis with Lumber Dealers and in Milwaukee with Plaster Materials. Third estimate have been up U.S.G. exhibits over the years, and a proposal will likely be approved to neutralize these situations. In Detroit, Pittsburgh and St. Louis, Kaiser has secured significant increases in volume, mainly at our expense. Friendship in Detroit continues to purchase heavily from Texas Gypsum Co. (~50 M volume from Gypsum Division's Grand Rapids plant). This volume could reach an annual footage of 25 MSF. Kansas City, Omaha and St. Louis areas report a 15% discount by Southern Gypsum Co. Acadia Gypsum Co. is reportedly going down to an 18% discount, here, because they run low on their Accelerator stock from St. Louis or Search from a supplier at Muscatine, Iowa.

Gypsum Board P/A's "protect" annual volume of approximately 1½ MSF (1% of 72 MSF of annual sales).

Gypsum Industry Capacity and Sales Division Cont.

U.S.G.'s sales were down from $83.0 MSF in September (111% utilization) to 122.7 MSF (16% utilization). When Pierce' estimated volume of 13.3 MSF is added to the Gypsum Association report, U.S.G.'s Industry Position is revised from 25.3% to 26.4%. Georgia Pacific, we believe, returned to a high of 16.7%, from their estimated September Industry Position of 9.1%. However, when we average U.S.G.'s market share for the 2 months, September and October, our shipments total 400.5 MSF, or 30.5% of Industry shipments which total 1,527.9 MSF.

II. Mid-Winter

General

During the past two months, there has been more price change activity than at any time in Mr. Splittorff's experience. We have had price increases in practically all products for implementation in late 1967 or early 1968.

Building Board

No deterioration of the already severe competitive situation. Most of our competitors have announced a 10% increase in prices for a January, 1968, effective date. We participated in a review of USG's position in the Total Lath Industry and a recommended course of action. Our recommendations were approved and we will announce new prices in all but Zone 5 (the far West).

Drywall Board

Competitive prices continue to be very severe, and there is some recent evidence of a more aggressive pricing attitude by National Gypsum.

Insulation Board

Our plants continue to operate at capacity and prices have firmed. The tile price increase of October has been successfully implemented along with Cornboard and Fiberlite Lather price increases in the East. Sheathing prices have firmed substantially. Our backlogs at all plants have permitted us to maintain a more cautious attitude on meeting lower competitive prices. Danville plant had a highly successful start-up, and all initial production has been sold at going prices.

Asphalt Roofing

With two price increases since mid-year at Jersey City and St. Paul, we are recovering from a highly unsatisfactory low gross profit condition. We are now slightly above late 1966 realizing prices and can look forward to modest profit improvement in 1968. We expect a price increase claims of 3% to 7% in the first quarter. Carrb Gate prices will increase about 7% in January, 1968. This increase, along with the November increase, puts pricing in a good position in the East.

Mineral Siding

Nothing significant to report.

Mineral Fiber Wool

Our glass competitors have announced new wool prices to be effective in January, 1968. Our proposal to do likewise has been approved.

Joint Treatment

We released new prices for all items to be effective January 15, 1968. Our new prices are about 5% below previously published prices on major items, but about 2% above the prior competitive level. This change enables us to recover cost and freight increases.

Panel Systems

We proposed price increases on ACOUSTEX products to be released with new calendar price lists. Instructions were issued to Policy Manuals on how to proceed with remaining job protection after January 1 on ACOUSTEX and ACOUSTEX.

Roof Decks

We obtained management approval to revise our truck delivered prices on Fill products and gypsum formboard. The increases reflect current truck delivery expense, primarily in the Eastern Division.

Canada

Wool prices were reduced 20% in Eastern Canada and discounts withdrawn. This represents a 5 - 10% price increase. Sheathing prices were increased $2.50 per MSF in all provinces.

JLB/kk

cc: §150-A - Mr. G. J. Morgan
§150-B - Mr. E. Rembert
§194-D - Mr. C. E. Dykes
§146 - Mr. E. W. Duffy
§166 - Mr. D. C. Wright

TO: §131-5 - Mr. A. J. Watt
FROM: §149-1 - Mr. J. L. Baldwin
SUBJECT: Marketing Policy Report as of 1-12-68

January 12, 1968

RECEIVED JAN 12 1968 Marketing Policy Gypsum Products 149-2

DX (USG) 155

I. GYPSUM

PRICE TRENDS

Wallboard

Estimated December volume was 150 MSF, approximately equal to Nov[illegible], but minus 5% vs. December, 1966. Net sales average estimate reflects anticipated year-end C.M.'s against previous months' shipments and gradual spreading of lower prices to meet competition. Gross profit per MSF for December, while less than November, is $2.60 per MSF better than December, 1966.

A 7% higher net sales average and a $0.35/MSF cost improvement largely offset a 16% volume decline in the 4th Quarter, thus gross profit dollars are down less than 3% from 4th Quarter, 1966. For the full year, a $2.10/MSF net sales average improvement offset slightly higher costs and an 8.6% volume decline, thus gross profit dollars are estimated to be slightly ahead of 1966.

1st Quarter, 1968 volume is estimated at plus 18%. A 6% higher estimated net sales average takes into account the Western Division price increase effective 1-15-68, as well as continuing price erosion to meet competition and reverse a declining industry position.

	3rd Qtr.	4th Qtr.		12 Mo. Cum.		1st Qtr.	
	1967 (Actual)	1967 (Est.)	1966 (Actual)	1967 (Est.)	1966 (Actual)	1968 (Est.)	1967 (Actual)
Volume MSF	792,510	425,792	510,089	2,194,411	2,401,834	609,000	513,340
Net Sales M$	30,372	18,476	20,608	90,577	94,121	26,309	20,879
Net Sales Avg.	40.46	43.39	40.41	41.28	39.18	43.20	40.67
Cost Average	18.85	19.64	19.99	19.31	19.22	19.50	19.57
Gross Profit M$	16,270	10,113	10,415	48,210	47,938	14,433	10,832
G.P. Average	21.60	23.75	20.41	21.97	19.95	23.70	21.10
% Net Sales	56%	59%	51%	53%	51%	55%	52%

Net Sales Average

Nov. '67 (Actual)	$43.86
Dec. '66 (Actual)	40.92
Dec. '67 (Est.)	42.60

Sheathing

Estimated December volume was 4,500 MSF, a 53% increase over December, 1966. Estimated 4th Quarter volume was 15,000 MSF, a 37% increase over the same 1966 quarter. Gross profit dollars increased 44%. Full-year results show an 8% decline in volume, a slight increase in net sales average and a 3.4% increase

Sheathing Cont.

in total gross profit dollars. Anticipated results for 1st Quarter 1968 reflect a 23% volume increase, but a declining net sales average resulting in only a slight increase in total gross profit dollars.

	3rd Qtr. 1967 (Actual)	4th Qtr. 1967 (Est.)	4th Qtr. 1966 (Actual)	12 Mo. Cum. 1967 (Est.)	12 Mo. Cum. 1966 (Actual)	1st Qtr. 1968 (Est.)	1st Qtr. 1967 (Actual)
Volume MSF	17,422	19,000	10,905	59,350	64,795	15,000	12,151
Net Sales M$	589	487	379	2,001	2,148	480	410
Net Sales Avg.	33.85	32.47	34.29	33.72	33.14	32.00	33.77
Cost Average	23.20	24.00	27.01	23.91	24.46	24.00	24.17
G.P. M$	185	127	88	582	563	120	117
G.P. Avg.	10.64	8.47	7.27	9.81	8.68	8.00	9.59
% Net Sales	31%	26%	23%	29%	26%	25%	29%

	Net Sales Average
Nov. '67 (Actual)	$32.84
Dec. '66 (Actual)	32.33
Dec. '67 (Est.)	32.20

Lath

Estimated December volume was 24,000 MSF -14% from December, 1966. Estimated 4th Quarter volume was down 23%, but a 14% higher net sales average and a cost decrease resulted in a 5% improvement in total gross profit dollars. Full-year volume declined 14%, but net sales average increased 8%, bringing gross profit dollars for the year slightly ahead. Volume in the 1st Quarter is expected to be even with a year ago. A $3.35 improvement in our net sales average should improve total gross profit dollars by 26%.

	3rd Qtr. 1967 (Actual)	4th Qtr. 1967 (Est.)	4th Qtr. 1966 (Actual)	12 Mo. Cum. 1967 (Est.)	12 Mo. Cum. 1966 (Actual)	1st Qtr. 1968 (Est.)	1st Qtr. 1967 (Actual)
Volume MSF	131,599	72,692	92,912	360,751	449,649	90,000	90,324
Net Sales M$	3,866	2,343	2,685	11,159	12,450	2,889	2,598
Net Sales Avg.	29.43	32.23	28.25	29.94	27.68	32.10	28.76
Cost Average	15.54	16.08	16.53	15.91	16.04	16.10	16.27
G.P. M$	1,827	1,174	1,115	5,417	5,235	1,440	1,137
G.P. Average	13.89	16.15	11.72	14.03	11.64	16.00	12.59
% Net Sales	47%	50%	42%	47%	42%	50%	44%

	Net Sales Average
Nov. '67 (Actual)	$32.31
Dec. '66 (Actual)	27.80
Dec. '67 (Est.)	32.00

Plaster

Estimated December volume was 10,000 tons, about 4% ahead of December, 1966. Estimated 4th Quarter volume was down 9%, but gross profit dollars show an 11% increase due primarily to the 8% improvement in net sales average. For 1967,

Plaster Cont.

a 15% drop in tonnage and an 8% cost increase brought about an 11% decline in total gross profit dollars despite an improvement of 7% in the net sales average. A 4% higher average realized price in the 1st Quarter should improve total gross profit by 3%, despite an anticipated volume decline of about 2,000 tons.

	3rd Qtr. 1967 (Actual)	4th Qtr. 1967 (Est.)	4th Qtr. 1966 (Actual)	12 Mo. Cum. 1967 (Est.)	12 Mo. Cum. 1966 (Actual)	1st Qtr. 1968 (Est.)	1st Qtr. 1967 (Actual)
Volume Tons	161,213	120,339	132,662	556,663	657,239	130,000	134,993
Net Sales M$	3,960	3,170	3,220	13,963	15,490	3,351	3,261
Net Sales Avg.	24.56	26.28	24.27	25.08	23.46	25.70	24.71
Cost Average	15.21	16.12	15.22	15.61	14.43	16.00	15.44
G.P. M$	1,508	1,226	1,209	5,272	5,941	1,261	1,224
G.P. Average	9.35	10.16	9.14	9.47	9.03	9.70	9.27
% Net Sales	38%	39%	38%	38%	38%	38%	38%

	Net Sales Average
Nov. '67 (Actual)	$26.22
Dec. '66 (Actual)	24.34
Dec. '67 (Est.)	25.30

Line

Estimated December volume was 8,000 tons, down about 9% from November, 1967, and December, 1966. For 1967, lower sales and increased costs eroded gross profit dollars by approximately 17%, despite a 90¢ higher net sales average. Looking ahead to the 1st Quarter we are preparing a proposal to increase prices $1 per ton effective March 1. Due to estimated cost increases of nearly 5%, 1st Quarter total gross profit dollars are expected to be even with a year ago.

	3rd Qtr. 1967 (Actual)	4th Qtr. 1967 (Est.)	4th Qtr. 1966 (Actual)	12 Mo. Cum. 1967 (Est.)	12 Mo. Cum. 1966 (Actual)	1st Qtr. 1968 (Est.)	1st Qtr. 1967 (Actual)
Volume Tons	33,735	28,332	29,703	123,473	148,405	20,900	20,247
Net Sales M$	837	691	736	3,025	3,505	715	605
Net Sales Avg.	24.78	24.39	24.56	24.50	23.60	24.75	24.33
Cost Average	16.18	15.60	15.84	15.45	14.54	15.75	15.03
Gross Profit M$	291	249	268	1,118	1,346	260	262
G.P. Average	8.59	8.79	9.02	9.05	9.06	9.00	9.29
% Net Sales	35%	36%	36%	37%	38%	36%	39%

	Net Sales Average
Nov. '67 (Actual)	$24.74
Dec. '66 (Actual)	26.00
Dec. '67 (Est.)	24.40

FYROBAR Partition Tile

Estimated December volume was 1,000 MSF (-33%). A year-to-year decline in volume occurred during each month in the 4th quarter, adversely affecting gross profit dollars by almost 50%. Full-year 1967 volume was down 16%, and net sales dollars were down 10%. A slightly higher net sales average was more than offset by 18%

PYROFILL Partition Tile Cont.

higher costs, yielding a 25% decline in gross profit dollars. The 1-1-68 price increase in the Eastern Division should improve Company net sales average by $5 per MSF. However, Market Research continues to predict declining volume (-30% for 1968) so that total gross profit dollars will decline an estimated 35%. We are hopeful that a $5 price increase early in 1968 can be implemented in the Central Division.

	3rd Qtr.	4th Qtr.		12 Mo. Cum.		1st Qtr.	
	1967 (Actual)	1967 (Est.)	1966 (Actual)	1967 (Est.)	1966 (Actual)	1968 (Est.)	1967 (Actual)
Volume MSF	4,077	3,072	5,081	15,308	18,210	2,650	3,773
Net Sales M$	487	367	583	1,837	2,051	329	450
Net Sales Avg.	119.57	119.47	115.27	119.53	112.61	124.30	119.29
Cost Average	79.56	84.96	74.23	79.97	67.93	82.00	73.59
G.P. M$	165	105	204	608	814	112	172
G.P. Average	40.01	34.12	41.04	39.56	44.68	42.30	45.69
% Net Sales	34%	29%	35%	33%	40%	34%	38%

	Net Sales Average
Nov. '67 (Actual)	$117.54
Dec. '66 (Actual)	121.29
Dec. '67 (Est.)	119.50

General

The 1-15-68 Wallboard increase in the Western States averages $2.39 per MSF vs. a $3.70 average increase that became effective 10-1-67 in the balance of the country. Therefore, the effect of the composite increases as of 1-15-68 will be $3.53 per MSF. On Lath, the increase in the 11 Western States averages $1.51 per MSF. As a result, the weighted average increase throughout the U.S.A. is reduced from $2.70 to $2.52. Plaster was not increased in the 11 Western States by $1.75 (currently applicable in the balance of the U.S.A.), but was established at $1.25 per ton by Georgia-Pacific. Therefore, the total U.S.A. net sales average is reduced by an estimated 6¢ per ton to about $1.69.

Total Gypsum Board and Plaster P/A's

GYPSUM BOARD PRODUCTS

	Discounts		Job Protection	
Divisions	No. App'd	Footage MSF	No. App'd	Footage MSF
Eastern	10	48	29	101
Southern	30	153	34	38
Central	26	131	25	29
Western	21	212	5	9
National Accounts	6	37	-	-
Total	101	586	93	177
Change from 12-11-67	+31	+309	+10	+11

Total Gypsum Board and Plaster P/A's Cont.

PLASTER

	Discounts		Job Protection	
Divisions	No. App'd	Tons	No. App'd	Tons
Eastern	-	-	10	168,721
Southern	3	18,250	14	12,603
Central	2	1,000	9	14,512
Western	-	-	6	13,688
Total	5	19,250	39	209,524
Change from 12-11-67	+3	+13,800	+10	+23,637

Total Gypsum Board P/A's

P/A's now involve or protect an estimated 763 MSF, or 34% of estimated 1967 sales (up from 25% as reported 30 days ago and 16% as reported 60 days ago).

Plaster P/A's

In the past 30 days, "price discount" P/A's were applied to 3 very large, high-volume dealers for all stock purchases. Prior to that, plaster P/A's were almost exclusively confined to protection of specific jobs. P/A's now involve an estimated 230M tons, or 41% of annual Plaster volume.

SIGNIFICANT COMPETITIVE ACTION

Western Division

Policy changes on Gypsum Board include selling contractors directly, shipping truckload orders and waiving truck vs. rail premiums, consigning shipments directly to job locations, recognizing dealers as motor carriers and paying them published rates to haul their own purchases, and allowing plant pick-ups. WCFD has extended allowances of $1.50 on 1/2" Board and $2 on 5/8" Board to contractors as well as to dealers. Initially, these allowances were made to dealers only so that they could sell to contractors who were purchasing directly from manufacturers at published dealer prices.

Georgia Pacific has heavy inventories of Gypsum Board at their distribution warehouses. For example, the Sacramento warehouse has increased inventory from 3 or 4 carloads to an estimated 20 carloads. It is possible that such heavy volume is "pre-sold" at the "old" price for delivery to buyers at future dates. Johns-Manville now owns and operates 3 Gypsum plants recently purchased from Fabco.

Gypsum Board P/A's now cover 221 MSF or 82% of estimated annual sales. Plaster volume on "job protection" represents 21% of estimated annual sales. Some Board P/A's are considerably in excess of a 5% discount. For example, we have met GP competition with 2 major drywall contractors in the Los Angeles area, Roy's Drywall and Quality Interiors, with prices of $41.50 on 1/2" Board and $62.50 on 5/8" Board against bulletin prices of $45 and $67.50.

Significant Competitive Action Cont.

Eastern Division

Discounts against bulletin prices range from $2 per MSF to 5% off of the pre-10-1-67 level, with one case of 3% and 5% off the pre-10-1 list. The most troublesome market continues to be Philadelphia, closely followed by Northern New Jersey and Long Island and then the Baltimore-Washington area. Division Marketing Policy believes there is some stiffening of pricing since much of the competitive action terminated 12-31-67.

Wallboard P/A's involve 149 MSF, or about 23% of annual sales. This figure is less than the total reported a month ago; the footage on "job protection" P/A's is less than a month ago, but the "discount" P/A's involve an increasing annual footage.

Plaster price protection totals 169M tons (includes 1 - 100,000 ton job, Freedomland Housing). Excluding this one job, the Plaster on protection is equivalent to 36% of annual tonnage shipped.

Central Division

Georgia Pacific and Johns-Manville, being in extreme short supply prior to 10-1-67, are now reported to have protected large commercial jobs and considerable stock business to their customers for shipment during the entire 4th Quarter of 1967 at the pre-10-1 price level. It appears that American Gypsum and the Big Horn Division of Jim Walters have found it necessary to extend discounts of 10% to sell their product. In certain high volume markets such as Indianapolis, it is believed that Georgia Pacific is discounting beyond 5%, but tied to a specific dollar volume within a specific period.

Gypsum Board P/A's involve 160 MSF, or approximately 20% of annual business. Plaster P/A's involve an estimated 8% of annual volume, and there has been no significant change in the past 30 days.

Southern Division

The most significant report other than a continuation of the extension of 5% discounts to meet competition is the pick-up policy activated by Dierks' Briar, Arkansas, plant. In addition to a 5% discounted delivered price, Dierks allows our major account, Alamo Supply, the published freight rate from Briar to San Antonio. Should a number of manufacturers offer such service, it could very well bring about an uncontrollable marketing situation having nation-wide implications. Board P/A's cover 196 MSF, or 36% of annual sales. Plaster P/A's cover 31M tons, or 21% of annual sales.

Canadian Gypsum Company

Because of the unsettled labor situation, the proposed general price increase on Gypsum Products has not been implemented. Later developments will dictate whether or not action on 3-1-68 is in the best interests of the Company.

GYPSUM INDUSTRY CAPACITY AND SALES ESTIMATES

November industry sales data not yet available to us.

NON-GYPSUM

Building Steel

We announced an approximate 10% price increase for 1-15-68 for all zones except the far west. All competitors have announced new prices. We also announced a job protection plan on orders placed by 1-15-68 to ship prior to 3-31-68. We have not had as many job protection requests as we expected, however, we expect to obtain price increase.

Drywall Steel

Competitive selling prices in the East declined marginally. No changes elsewhere in the unsatisfactory selling prices we are meeting.

Insulation Board

Prices of Sheathing have generally firmed during the last months of 1967. Our October tile price increase is being realized. Order receipts have slowed and Sheathing prices will be under the usual winter strain. So far, we have moved Danville production in normal channels at going prices.

Higher Mobile Homes product prices went into effect December 15. Kaiser Gypsum has made no announcement, and Dierks' wholesaler in South Bend could disturb the Elkhart market price. We are meeting prices very selectively.

Asphalt Roofing

A 7% increase was announced in the South Gate area to be effective January 8.

Evidence of competitive price increases affecting Jersey City and St. Paul plants was submitted to us by field sales. Proposal to increase shingle prices 8% and roll roofings and felt 8-10% has been approved. We expect to announce similar prices effective February 1.

Mineral Siding

Nothing significant to report.

Mineral Fiber Wool

We announced an approximate 4% price increase to be effective in all zones in January. To meet regional competition, our effective dates varied from January 2 at Wabash to January 20 at Birmingham and February 1 at Torrance. There is some indication competition is also withdrawing one 6% discount from all classes of trade.

Joint Treatment

We announced new zone prices for 1-15-68. National Gypsum has announced prices comparable to ours effective the same date. Bestwall prices have been found only in the Central Division and are somewhat lower than ours. Bestwall date is February 1, so we will delay our date.

250-248 O - 77 - vol. 5 - 19

Mr. A. J. Watt -8- January 12, 1968

Joint Treatment Cont.

We have been advised by Purchasing that Ready Mix can cost increase will be only 4¢ per can rather than 7¢.

Sound Control

All new prices on ACOUSTICAL, AUTHENTIC and AUDITONE products went into effect on January 1. New contractor price lists were mailed to customers late in December. We had approximately one week of carryover on price orders at Gypsum and Greenville plants.

Firm and sound administrative policies have been issued regarding continuing job protection on Sound Control products. We are following Divisions for final job files. It appears the protection we have remaining is reasonable.

Roof Decks

We announced slightly higher prices for delivered zones, primarily in the East. These increases merely passed along freight increases experienced during past few years. Since Bestwall and National have not followed with similar increases, we have authorized delaying our effective date to February.

Canada

A revised price and distribution policy was announced on wool. Changes made are to represent 5% price increase. Except for higher minimums not holding up in Toronto, the price is holding.

JLB/hk

DX(USG)-156

cc: #150-A - Mr. G. J. Morgan
#150-B - Mr. B. Rumbert
#194-D - Mr. C. E. Dykes
#146 - Mr. E. W. Duffy
#166 - Mr. D. C. Wright

#131-5 - Mr. A. J. Watt

#185-1 - Mr. J. L. Baldwin

February 12, 1968

Marketing Policy Report as of 2-12-68

ADMITTED
IX (USG) 156

GYPSUM

PRICE TRENDS

Net Sales Average

	January, 1967 (Actual)	December, 1967 (Actual)	January, 1968 (Estimated)	April, 1968 (Estimated)
Wallboard	$40.36	$42.14	$42.90	$42.50
Sheathing	33.52	34.28	33.75	33.30
Lath	28.35	32.28	32.30	31.90
Plaster	24.74	25.42	26.25	26.00
Lime	24.06	24.66	24.60	25.60
Partition Tile	123.81	121.74	124.00	124.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	21	160	32	100
Central	62	304	19	16
Southern	59	200	36	36
Western	28	128	19	26
Nat'l Accts.	6	56	—	—
Total	176	848	106	178
Chg. from 1-12-68	+75	+262	+13	+1

P/A's now involve or protect 1,026 MSF, equal to 39% of 1967 volume (up from 34% as reported 30 days ago and 27% as reported 60 days ago). While the majority of the allowance P/A's cover 5% discounts, 31 of the 176 now call for price more than 5% below bulletin.

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

It is rumored that CP salesmen have been given quotas on standard wallboard products, now stocked at all 18 CP warehouses. There is some circumstantial evidence of purchase inducements tied into plywood prices and delivery, particularly among medium-sized lumber dealers. Most competitive discounts are now from 10-1-67 bulletin prices, rather than from pre 10-1 level as reported a month ago. Board P/A's involve 260 MSF (equal to 35% of 1967 volume), up from 149 MSF 30 days ago.

SIGNIFICANT COMPETITIVE ACTIVITY CONT.

Central Division

Price discounts exist in all major markets and are spreading to rural areas, primarily as a result of GP and Celotex activity with multi-yard, cash and carry, and line yard organizations. Discounts beyond 7% are found at volume accounts in markets affected by Dierks and American; we have met in Indianapolis, St. Louis, Kansas City, Oklahoma City, and Topeka. GP allows LTL pick-ups by contractors from new Columbus, Ohio, warehouse and invoices at TL price after pick-ups aggregate TL quantity. GP now sells and job delivers to an Omaha plasterer, a practice previously encountered in Oklahoma. Board P/A's involve 320 MSF (equal to 34% of 1967 volume), up from 160 MSF 30 days ago.

Southern Division

Dierks is attempting to extend its establishment into additional Alabama and Georgia markets. J-M has appeared in Louisiana and New Mexico, making general statements that they soon expect to seek business at "attractive" prices. American, Dierks, J-M, Kaiser, and Texas Gypsum continue to offer discounts in Texas. GP does so in many major markets throughout the Division. Kaiser and GP are increasingly aggressive in seeking plaster tonnage in Florida. Board P/A's involve 236 MSF (equal to 37% of 1967 volume), up from 196 MSF 30 days ago.

Western Division

Our price increase was implemented 1-15-68, but discounts continue (and in some cases deepen) from the higher bulletin level. Job protection activity has been more selective than that which accompanied the unsuccessful 10-1-67 increase. We now allow shipment from Heath throughout Montana and Wyoming via customer's own truck to meet the competition of GP and Big Horn at Lovell and Cody, Wyoming. We have met GP's lower Los Angeles prices on 1200# CL's of lath. Board P/A's involve 154 MSF, equal to 47% of 1967 volume.

Canadian Gypsum Company

We have announced a 3-4-68 increase on board and plaster products.

Wallboard Industry Position (1)

Manufacturer	November 1967	11 Months 1967
U.S.G. (2)	27.6	30.6
National	20.1	21.7
Ga. Pacific	14.5	14.3
Kaiser	7.5	6.2
Flintkote	7.9	7.3
Jim Walters	7.6	6.8
Pabco	4.2	3.5
Dierks	4.4	3.3
Republic	1.9	2.2
Ruberoid	1.4	1.0
Grand Rapids	.7	.8
Texas Temple	1.2	1.1
American	1.0	1.1
	100%	100%

Wallboard Industry Position Cont.

NOTES: (1) Figures are based on estimated capacity utilization; the latter is now being cross-checked with Division General Manager reports of competitive plant activity.

(2) Dierks is not a Gypsum Association member, therefore the U.S.G. Industry Position shown above will not equal that shown by the Association.

II. NON-GYPSUM

Building Steel

We passed our price increase date of January 15 without any significant surge, but we have a substantial backlog of job protection orders to ship prior to March 31. We have protected a few jobs beyond our March 31 date to meet the specific competition of Wheeling and Ceco. It has been reported from many markets that Wheeling will protect all orders on jobs under contract. It is too early, therefore, to accurately judge the effectiveness of the increase.

Drywall Steel

We have extended LTL service from Harrison into 5 metropolitan New York area districts.

Insulating Board

Sheathing prices weakened in the face of declining demand. We were not fully competitive while plant shutdowns reduced our supply from Greenville and Lisbon Falls, but we have become more competitive in recent days.

While House pricing appears weak and we have had to compromise our December increases with some major accounts. Kaiser Gypsum did not increase prices, but their Los Angeles distributor told our salesman an increase was expected.

Asphalt Roofing

Prices were increased 5 - 7% from all plants, the third price increase in the past seven months. In the Jersey City and St. Paul areas, the competitive discount from list prices is 9% and 7% to major accounts as compared to 5% and 5% prior to the price change.

Mineral Siding

Ruberoid published a 6-1-68 increase; Division recommendations have been solicited.

Mineral Fiber Wool

Our 1-8-68 price increase was variously delayed and finally became effective February 1.

Louvers

We announced a 2-1-68 price increase of 3 - 5% to recover a cost increase from our vendor.

DX(USG)-157

cc: #150-A - Mr. G. J. Morgan
#150-B - Mr. E. Rembert
#194-B - Mr. C. R. Dykes
#146 - Mr. E. V. Duffy
#166 - Mr. D. C. Wright

#131-5 - Mr. A. J. Watt
#145-1 - Mr. J. L. Baldwin

March 7, 1968

Marketing Policy Report as of 3-7-68

ADMITTED

DX (USG) 157

1. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 February (Actual)	1968 January (Actual)	1968 February (Est.)	1968 May (Est.)
Wallboard	$39.94	$43.35	$43.00	$42.25
Sheathing	33.80	32.57	32.25	32.10
Lath	27.89	31.82	32.00	31.90
Plaster	24.61	25.34	25.90	25.80
Lime	24.29	24.54	24.50	25.20
Partition Tile	118.53	124.77	124.70	124.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	24	182	25	99
Central	103	396	18	12
Southern	77	238	38	37
Western	53	208	17	21
National Accounts	7	120	—	—
Total	264	1,144	86	169
Change from 2-12-68	+88	+296	-80	-9

P/A's now involve or protect 1,313 MSF, equal to 50% of 1967 volume (up from 39% as of 30 days ago, and 34% as reported 60 days ago). While the majority of allowance P/A's cover 5% discounts, 39 of the 264 now call for prices more than 5% below bulletin.

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

To influence the purchase of gypsum wallboard, Georgia Pacific and Johns-Manville have reportedly offered some dealers 25-5 gallon cans (worth approximately $100) of Ready Mixed Joint Cement per load. Georgia Pacific continues incentive allowances on plywood and decorative panels in order to move gypsum board from their warehouses.

DX(USG)-157

Mr. A. J. Watt -2- March 7, 1968

Eastern Division Cont.

The spreading of 5% discounts by competition continued at a slower rate than in other Divisions. Meeting such situations to protect our position has resulted in board P/A's involving 201 MSF (equal to 38% of 1967 volume), up from 200 MSF 30 days ago.

Central Division

Drywall contractors and dealers can now pick-up at some Georgia Pacific warehouses, paying the truckload delivered price when cumulative quantities reach 40M lbs. The 5% discount is spreading to volume accounts in secondary as well as major metropolitan markets. One-plant producers have initiated discounts in excess of 5% (up to 10%) in at least 4, and possibly 7 major markets. Board P/A's now involve 408 MSF (equal to 43% of 1967 volume), up from 320 MSF.

Southern Division

Discounts of 5% are spreading to secondary markets, and in at least one major market the pre 10-1-67 price, less 5%, is necessary to be fully competitive on apartment jobs. Board P/A's now involve 275 MSF (equal to 44% of 1967 volume).

Western Division

The 1-15-68 price increase to $47.25/M in Zone W-1, is no longer the base price in a growing number of cases. Major accounts now are at $41.00 to $42.00 by P/A (net before cash discount) in Southern California. All West Coast manufacturers, plus Republic and American, are competing aggressively on price. Board P/A's involve 223 MSF (equal to 63% of 1967 volume), up from 154 MSF 30 days ago.

Canadian Gypsum Company

The announced general price increase on gypsum products will become effective 3/18/68 instead of 3/4/68 due to Domtar establishing the later date.

Wallboard Industry Position (1)

Manufacturer	November Shipments	December 1967	12 Months 1967
U.S.G. (2)	27.6	29.0	30.5
National	20.1	20.7	21.6
Georgia Pacific	14.5	14.3	14.3
Kaiser	7.5	7.3	6.3
Flintkote	7.0	7.3	7.3
Jim Walters	7.0	6.5	6.8
Fabco	4.2	3.6	3.5
Dierks	4.4	5.1	3.4
Republic	1.9	1.9	2.2
Ruberoid	1.4	1.4	1.0
Trend Panels	0.7	0.7	.8
Lone-Star	1.2	1.2	1.2
American	1.0	1.0	1.1
	100%	100%	100%
Industry Capacity Utilization	61%	59%	66%

DX(USG)-157

Mr. A. J. Watt -3- March 7, 1968

Wallboard Industry Position Cont.

NOTES: (1) Figures are based on estimated capacity utilization; the latter is now being cross-checked with Division General Manager reports of competitive plant activity.

(2) Bierke is not a Gypsum Association member, therefore, the U.S.G. Industry Position shown above will not equal that shown by the Association.

II. NON-GYPSUM

Building Steel

We foresee little, if any, 1st Quarter improvement in prices due to the 1-15-68 increase, however, we are now booking some business for shipment after 4-1-68 at the higher levels.

Insulating Board

In the face of market weakness, Insulite and Celotex have announced a 6-1-68 increase; we are studying to determine the most appropriate action by USG.

Asphalt Roofing

The February increase (approximately 5% - 7%) now appears substantially realized.

Mineral Siding

National followed Ruberoid's announcement of a 6-1-68 increase. We await Division recommendations concerning the proper Glatex differential.

Mineral Wool

On 3-4-68 we increased blowing wool prices from Red Wing, Wabash, and South Plainfield; it is still too early to determine effectiveness.

Joint Treatment

Our 1-15-68 price increase (deferred to 2-1-68 in most markets) is not fully effective due to a) maintenance of old price level by local competition in some markets, and b) National's initiation of a lower Column 5 price throughout most of our Central Division.

Sound Control

Most recent large volume acoustical work in New York City has been closed by Circle-Floor, a split USG contractor. It appears that Johns-Manville is giving this account 2¢ PSF off the bulletin for their Tempertone 360, a product competitive with both ACOUSTONE and AURATONE Tile.

Competitive reports from the Southeast show Owens-Corning selling 5/8" Ceiling Board products from 2 to 2½¢ PSF below our 12.5¢ PSF price for AURATONE. A similar report has come in from the Central Division.

DX(USG)-158

[illegible] - Mr. A. J. Watt

[illegible] - Mr. J. L. Baldwin

[illegible] - Mr. D. C. Wright

April 11, 1968

Marketing Policy Report as of 4-11-68

ADMITTED

I. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 March (Actual)	1968 February (Actual)	1968 March (Est.)	1968 June (Est.)
Wallboard	$42.75	$43.46	$41.88	$40.66
Sheathing	34.01	33.43	33.00	32.25
Lath	30.36	32.57	32.10	31.80
Plaster	24.76	26.22	26.00	25.75
Lime	24.56	24.91	25.50	25.25
Partition Tile	116.26	125.58	125.00	125.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MMSF	Job Protection No.	Job Protection MMSF
Eastern	41	228	23	89
Central	148	472	10	10
Southern	103	265	27	32
Western	71	320	10	7
National Accounts	7	126	-	-
Total	370	1,411	70	138
Change from 3-7-68	+106	+267	-16	-11

P/A's now involve or protect 1,549 MMSF, equal to 59% of 1967 volume (up from 50% as of 30 days ago, and 39% as reported 60 days ago). Of 370 allowance P/A's, 48 now call for prices more than 5¢ below Bulletin. Virtually all sales in Washington, Oregon, California, and Arizona are being made below bulletin levels. Of the 71 Western Division P/A's indicated above, 18 cover "All Accounts" or multiple accounts in a given city, District, or marketing area.

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

Discounts of 5% continue to spread; we have met them with 16 additional customers in the Philadelphia, Northern New Jersey, Metropolitan New York, and Connecticut markets. Celotex is the competitor cited most frequently, with Georgia-Pacific next, and Kaiser and Flintkote close behind. There are some allegations of larger discounts, but in

Eastern Division Cont.

the past 30 days we have only met with the two largest accounts on Long Island ($47.75 list less 5% less 3% less $1.00, or $43.00 before cash discount). We have extended until 6-30-68 some job protection originally due to expire 3-31-68. Board P/A's now involve 317 MSF (equal to 43% of 1967 volume), up from 281 MSF 30 days ago.

Central Division

Allowances of 5% are common, and we have met with additional accounts in West Virginia, Ohio, Indiana, Illinois, Kentucky, Missouri, Kansas, Oklahoma, Nebraska and Colorado. Georgia Pacific is named in the majority of these cases. Allowances greater than 5% have been met with ten additional major factors in Detroit, Indianapolis, Chicago, St. Louis, Kansas City, Oklahoma City, and Denver. Job delivery is repeatedly encountered in Colorado, Oklahoma, Kansas, and Missouri; competitors involved are Georgia Pacific, Johns-Manville, Flintkote, Celotex, Republic, and American; to date, we are resisting. Pick-ups from Lovell, Wyoming (Georgia Pacific) have spread to Colorado and South Dakota. Board P/A's now involve 482 MSF (equal to 51% of 1967 volume), up from 408 MSF 30 days ago.

Southern Division

Discounts of 5% continue to spread, and we have met in Texas, New Mexico, the Carolinas, Alabama, Tennessee, and Florida. Georgia Pacific, Kaiser and Flintkote are the competitors most often encountered. In addition, we have met Georgia Pacific at several major Texas outlets with discounts beyond 5%. There is continuing erosion of truckload premiums in the Southeast and Seaboard Areas. Job deliveries in Texas are reported to be increasing. National started truck service into southern Florida, and we met. Board P/A's now involve 297 MSF (equal to 47% of 1967 volume), up from 275 MSF reported 30 days ago.

Western Division

Selling prices are farther below bulletin level in this Division than in any other. The spread of 5% discounts has reached the majority of markets. Price erosion continues most severe in California, with our selling prices to meet competition ranging down to $40.00 1/2" vs. bulletin levels of $49.25 in the north and $47.25 in the south. Flintkote began direct sale to applicators in the Los Angeles area. Kaiser is reportedly preparing to truck Washington and Oregon, the last major markets in the country now on a rail-only basis. Board P/A's now involve 327 MSF (equal to 1967 volume), up from 223 MSF as reported 30 days ago.

Wallboard Industry Position*

Manufacturers	December 1967	January 1968	Gain/(Loss)
U.S.G.	29.0	28.7	(0.3)
National	20.7	20.7	N.C.
Georgia Pacific	14.3	13.7	(0.6)
Kaiser	7.3	7.6	0.3
Flintkote	7.3	7.7	0.4
Jim Walters	6.5	6.9	0.4
Johns-Manville		2.5) 0.1	
Pabco	3.6	1.2)	0.1
Dierks	5.1	4.6	(0.5)
Republic	1.9	1.9	N.C.
Ruberoid	1.4	1.5	0.1
Grand Rapids	.7	.8	0.1
Texas - Temple	1.2	1.2	N.C.
American	1.0	1.0	N.C.
	100%	100%	0

*Based on estimated capacity utilization of all producers, including non-members of Gypsum Association.

With January industry shipments at approximately 600 MSF, one point of industry position equalled about 6 MSF. Thus, USG's December-to-January decline is estimated as equal to less than 2 MSF. We estimate February position to have improved significantly to approximately 30.2% on an all-industry basis, a January-to-February gain of about 1.5 points.

II. NON-GYPSUM

General

This week, full authority was delegated to Divisions to meet competitive prices on joint treatment, building steel, drywall steel, asphalt roofing, mineral siding and insulation wool.

Building Steel

While our new list prices are in effect and our period of job protection has expired, there are many reports of continued job protection of new orders by Wheeling, Milcor and Ceco.

Drywall Steel

Prices continue to decline in most major markets, with Kaiser a new competitive factor in the East. It is reported that on New York high-rise work, cash discounts up to 5% and 90 days are available. We have recommended that Eastern Division be delegated authority to meet as required.

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DX(USG)-159

cc: #150-A - Mr. G. J. Morgan
#150-B - Mr. E. Rembert
#141 - Mr. R. D. Stephan
#194-D - Mr. C. E. Dykes
#146 - Mr. E. V. Duffy
#166 - Mr. D. C. Wright

#131-5 - Mr. A. J. Watt

June 13, 1968

#145-1 - Mr. J. L. Baldwin

MARKETING POLICY REPORT AS OF JUNE 13, 1968

ADMITTED

DX (USG) 159

C. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 May (Actual)	1968 April (Actual)	1968 May (Est.)	1968 August (Est.)
Wallboard	$41.74	$42.54	$41.75	$40.25
Sheathing	34.93	32.45	32.00	31.25
Lath	30.17	31.90	31.70	31.20
Plaster	25.45	26.48	26.25	25.90
Building Lime	24.38	25.65	25.55	25.30
Partition Tile	119.50	128.47	126.50	125.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	124	434	13	54
Central	265	589	11	14
Southern	314	451	20	25
Western	82	409	7	6
National Accounts	13	159	-	-
TOTAL	798	2,042	51	99
Change from 5-10-68	+24%	+30%	-3	-23

P/A's now involve or protect 2,113 MSF, equal to 81% of 1967 volume (up from 71% as of 30 days ago and 59% as reported 60 days ago). Of 798 allowance P/A's, 237 (up from 150 a month ago) now call for prices more than 5% below bulletin levels.

General

On May 20 Kaiser announced July 1 bulletin prices of $40.50 to $40.75 for California only, plus increases of $1.50 each on October 1 and December 1. Present bulletin prices are $47.25 to $49.25, but present P/A prices are $36.00 to $40.00. On May 29 we announced a July 1 bulletin price for California of $42.00 and new July 1 bulletin prices (below present bulletins, but above P/A levels) elsewhere in our Western Division. In addition, we announced withdrawal of the "extra 3%" cash discount throughout our Western Division. On June 1, National announced an August 1 bulletin price increase of $2.25 to $3.00 affecting the 37 states east of the Rocky Mountains, with terms of sale unchanged. As yet, there have been no published reactions to any of these 3 announcements.

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

Rumors persist that Kaiser plans a gypsum board warehouse near Providence, R.I., "sometime within a year." They have been discounting broadly, as have Flintkote, Georgia-Pacific, and, more recently, National. One 5% is widespread, many large buyers are at 5% - 3% or 5% - 5%, and there are isolated cases of 5% - 3% - 5%.

Board P/A's rose from 104 to 137 and now involve 488 MSF (equal to 66% of 1967 volume), up from 412 MSF 30 days ago.

Central Division

A 5% - 5% continues to spread, and 5% - 5% - 5% has been met in Kansas City, East St. Louis, and Cincinnati. Johns-Manville now sells Georgia-Pacific out of Florence (Colo.) and allows customer pick-up there. Georgia-Pacific has reportedly offered direct sale and job delivery of lath and plaster to two Cincinnati contractors.

Board P/A's now involve 603 MSF (equal to 64% of 1967 volume), up from 569 MSF 30 days ago.

Southern Division

The number of P/A's has nearly doubled, and there are few sales at bulletin prices. One 5% is normal; larger discounts are common in the southwest, mostly 5% - 5%. We recently met 5% - 5% - 5% in Texas. The Division has been authorized to waive the truckload premium in Texas and to meet competitive offers of job delivery in that state and New Mexico.

Board P/A's now involve 476 MSF (equal to 75% of 1967 volume), up from 380 MSF 30 days ago.

Western Division

A new California low of $36.00 was introduced by Georgia-Pacific in Sacramento; We resisted initially, but met in a few cases following some spread of this price by Johns-Manville and Kaiser. We await reaction to our own and/or Kaiser's July 1 price changes.

Board P/A's now involve 435 MSF (equal to 133% of 1967 volume), up from 379 MSF 30 days ago. It should be noted here that 5-month volume is 54% ahead of 1967.

Canadian Division

Gypsum prices are generally firm except for a few reported allowances to drywall contractors and some isolated protection at pre-3-18-68 levels.

DX(USG)-159

Mr. A. J. Watt -3- June 13, 1968

Wallboard Industry Position

(*Includes Estimated Sales of Non-members)

Manufacturers	1968 January	February	March	April
U.S.G.	28.7	30.5	30.3	29.9
National	20.7	21.3	21.6	21.3
Georgia-Pacific	13.7	12.8	11.9	11.6
Kaiser	7.6	6.8	7.3	7.6
Flintkote	7.7	8.2	7.7	8.0
Jim Walter	6.9	6.9	7.5	7.8
*Dierks	4.6	4.3	3.9	3.7
*Johns-Manville	2.5	2.6	2.5	2.7
Fabco	1.2	1.2	1.1	1.2
Republic	1.9	2.0	2.0	1.9
Ruberoid	1.5	1.3	1.0	1.2
American	1.0	.9	1.3	1.3
Grand Rapids	.8	.8	.9	.9
Texas-Temple	1.2	.4	1.0	.9
Industry Utilization of Capacity	67.3%	65.4%	72.0%	76.0%

II. NON-GYPSUM

Building Steel

Some customers are buying stock orders at discounts from current list, but most jobs are still shipping at old prices. There are reports that some protection expires 6-30-68. National Gypsum has announced another price increase for November, but no other manufacturers have acted.

Drywall Steel

Prices may have bottomed out at current low levels. National Gypsum action to firm prices at higher levels met no market response. Our managers unanimously recommended no USG action. We are now shipping purchased studs and runners from vendors in Florida, South Carolina, and Texas.

Insulating Board

Our 4-22-68 Sheathing price increase appears to have been realized. Our steady flow of orders has allowed us to ignore a few reported lower prices. Armstrong Cork at Macon, Georgia, and Bird & Son (Roof Insulation and Shingle Backer only) in New England are on strike.

DX(USG)-160

#141 - Mr. R. D. Stephan #166 - Mr. D. C. Wright

#131-5 - Mr. A. J. Watt July 12, 1968

#145-1 - Mr. J. L. Baldwin

MARKETING POLICY REPORT AS OF JULY 12, 1968

ADMITTED

X (USG) 160

I. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 June (Actual)	1968 May (Actual)	June (Est.)	Sept. (Est.)
Wallboard	$40.49	$42.19	$41.60	$41.75
Sheathing	33.85	32.09	31.90	32.00
Lath	29.95	32.11	31.70	32.25
Plaster	24.70	26.92	26.50	25.90
Building Lime	24.53	25.66	25.50	25.30
Partition Tile	121.43	125.98	125.00	125.00

Gypsum Board P/A's

Division	Allowances No.	MSY	Job Protection No.	MSY
Eastern	191	555	15	40
Central	367	666	20	42
Southern	424	589	21	25
Western	102	468	8	9
National Accounts	16	160	-	-
TOTAL	1,200	2,378	64	116
Change from 6-13-68	+402	+316	+13	+17

P/A's now involve or protect 2,494 MSY, equal to [illegible]% of 1967 volume (up from 81% as of 30 days ago and 71% as reported 60 days ago). Of 1,200 allowance P/A's, 397 (up from 237 a month ago) now call for prices more than 5% below bulletin levels.

General

On July 8, we announced a September 1 bulletin price increase on board products in the 37 states east of the Rocky Mountains; in addition, we announced a return to 2% cash discount 20th P.M. and a billing cycle from the 21st of a month through the 20th of the next month. Our July 1 bulletin price and terms changes for the 11 Western states have been deferred due to competitive action.

We have just begun to receive from various points in the field east of the Rockies copies of a Georgia-Pacific letter announcing a $1.50/ton increase on plaster to be effective September 9.

DX(USG)-160

Mr. A. J. Watt -2- July 12, 1968

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

The isolated cases of 5% - 3% - 5% reported a month ago have spread, and a new Division low of 5% - 3% - 5% - $1.00 has just been reported in Long Island (Georgia-Pacific) and Northern New Jersey (National Gypsum). Mr. Johnson has been authorized to meet the latter price where encountered.

Board P/A's rose from 137 to 206 and now involve 595 MSF (equal to 81% of 1967 volume), up from 488 30 days ago.

Central Division

Mr. Calvin estimates the continued spread of discounting to have reduced the June realized price average approximately $1.00 below the $42.35 recorded in May. Dierks has reached into the Omaha and Cincinnati Districts with 5% - 5% - 5%, documented by invoice. National has become much more aggressive; for example, they initiated 5% - 3% - 5% to major Pittsburgh buyers last month.

Board P/A's now involve 708 MSF (equal to 75% of 1967 volume), up from 603 MSF 30 days ago.

Southern Division

We have met 5% - 5% - 5% with additional Texas accounts and with Standard Building Supply Co. of Memphis. A new Company level was reached when meeting Kaiser in El Paso at $32.60 vs. $45.75 list.

Board P/A's now involve 554 MSF (equal to 87% of 1967 volume), up from 476 MSF 30 days ago.

Western Division

We met Celotex in Reno at $35.80, a new Division low. The $36.00 California offer of Georgia-Pacific and/or Johns-Manville was met with a few additional accounts. Published announcements sent in from the field reflect a wide variety of competitive reaction to our own and Kaiser's price changes announced for July 1; we have deferred implementation until August 1.

Board P/A's now involve 477 MSF (equal to 146% of 1967 volume), up from 435 MSF 30 days ago.

Canadian Division

Prices remain generally firm except on gypsum sheathing, which continues under competitive pressure from insulating sheathing.

Wallboard Industry Position

We shall estimate competitive positions as soon as May industry sales are reported to us.

DX(USG)-160

cc: Mr. Morgan
Mr. Reinert
Mr. Duffy

July 9, 1968

Mr. Watt:

Today brought two significant developments on gypsum pricing, both reported from the field by telephone; we have nothing in writing yet:

1. From Seattle and California, WCPD reports Kaiser has announced August 1 gypsum board prices equal to those announced by us for July 15, but subject to 5% cash discount.

2. From Kansas and Maryland, CCPD and ECPD report Georgia-Pacific has announced a September 9th plaster increase of $1.50/ton.

To the Kaiser action, Mr. Evans reports that the majority of his staff favors a further reduction in our list price sufficient to make USG list less 5% equal to Kaiser list less 5%. Mr. Evans does not favor such a move at present and would like to await action by others. In addition, he reports a Corporate opinion in view of our nationwide effort to return cash discount to 2%. Perhaps we can discuss this point at your early convenience.

J. L. Kalbfus
:145-1

250-346 O - 77 - vol. 5 - 20

[illegible] - Mr. R. D. Stephan

[illegible] - Mr. D. C. Wright

#131-5 - Mr. A. J. Watt

#145-1 - Mr. J. L. Baldwin

July 16, 1968

WALLBOARD INDUSTRY POSITION

Based on May Industry Wallboard shipments as just reported, we estimate our own and competitive industry positions as follows:

(*Includes Estimated Sales of Non-members)

Manufacturers	1968 January	February	March	April	May
U.S.G.	20.7	20.5	20.3	20.9	20.5
National	20.7	21.3	21.6	21.3	21.7
Georgia-Pacific	13.7	12.8	11.9	11.6	11.4
Kaiser	7.6	6.8	7.3	7.6	7.6
Flintkote	7.7	8.2	7.7	8.0	7.8
Jim Walter	6.9	6.9	7.5	7.8	7.6
*Dierks	4.6	4.3	3.9	3.7	3.6
*Johns-Manville	2.5	2.6	2.5	2.7	2.6
Pabco	1.2	1.2	1.1	1.2	1.2
Republic	1.9	2.0	2.0	1.9	1.9
Ruberoid	1.5	1.3	1.0	1.2	1.1
American	1.0	.9	1.3	1.3	1.2
Grand Rapids	.8	.8	.9	.9	.9
Texas-Temple	1.2	.4	1.0	.9	.9
Industry Utilization of Capacity	67.3%	65.4%	72.0%	76.0%	80.0%

ml/gtt

cc: #150-A - Mr. G. J. Morgan
#150-B - Mr. E. Rembert
#141 - Mr. R. D. Stephan
#194-D - Mr. C. E. Dykes
#146 - Mr. E. W. Duffy
#166 - Mr. D. C. Wright

TO: #131-S - Mr. A. J. Watt

August 13, 1968

FROM: #145-1 - Mr. J. L. Baldwin

SUBJECT: MARKETING POLICY REPORT AS OF 8-11-68

I. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 July (Actual)	1968 June (Actual)	1968 July (Est.)	1968 Oct. (Est.)
Wallboard	$40.71	$40.38	$39.50	$39.00
Sheathing	34.00	31.03	30.90	30.80
Lath	29.57	31.40	31.25	31.25
Plaster	24.24	26.59	26.60	27.60
Building Lime	24.63	25.27	25.30	25.30
Partition Tile	118.92	120.90	121.00	121.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	178	686	22	52
Central	476	734	46	104
Southern	493	574	27	42
Western	129	443	9	19
National Accounts	16	107	-	-
TOTAL	1,292	2,544	104	217
Change from 7-12-68	+94	+246	+40	+101

P/A's now involve or protect 2,541 MSF, equivalent to 109% of 1967 volume. Of 1,292 allowance P/A's, 506 (up from 397 a month ago) now call for prices more than 5% below bulletin levels.

General

On 7-26-68 Western Division customers were notified of revised gypsum board prices (California only) and terms (entire Division), including 5% cash discount for payment twice each month. The new effective date of 8-1-68 was later deferred to 8-19-68 due to competitive action. In the 37 states east of the Rockies, field reports indicate that our 9-1-68 gypsum board price increase will not become effective until 9-16-68. The Central and Eastern Divisions report that member contractors have received a questionnaire from G.B.C.I. concerning announced price increases.

We will shortly announce a plaster price increase averaging $1.50/ton to be effective 9-21-68 in the Eastern, Southern, and Central Divisions. To meet competition, certain areas are being zoned on a delivered pricing basis.

GYPSUM PLANT COMPETITIVE ACTIVITY

Eastern Division

More competitive situations were met than in any prior month. A new Division low of 5% - 5% - 5% - $2.00 was met in the Long Island and Philadelphia markets. Georgia-Pacific was frequently met, and field reports stated that their Wilmington plant was running below capacity in early July, the first such occurrence in many, many months.

Board P/A's now involve 738 MSF (100% of 1967 volume), up from 595 MSF 30 days ago.

Central Division

We have met competitive prices down to a new Division low of 5% - 5% - 5% - 5% in the Kansas City market. The average competitive discount in all major markets is 5% - 5%. National Gypsum is reported discounting at lowest known levels with major accounts, and spreading discounts into secondary markets as well.

Board P/A's now involve 830 MSF (84% of 1967 volume), up from 708 MSF 30 days ago.

Southern Division

Competitive price levels on gypsum board continued to decline during July, and a majority of existing P/A's meet discounts of more than 5%. The Southwest Area has had to meet the lowest levels, including 5% - 5% - 5% in most major Texas markets.

Board P/A's now involve 616 MSF (97% of 1967 volume), up from 554 MSF 30 days ago.

Western Division

Discounts prevail, and will likely continue until 8-16-68 when new and lower list prices are to become effective (postponed from 7/1, 7/20, and 8/1). In the meantime, we have met a $30.00 price with all accounts in the California portion of the Sacramento District, and a $30.00 price with most major accounts in Southern California.

Board P/A's now involve 461 MSF (1-1/2 of 1967 volume), down from 477 MSF 30 days ago.

Wallboard Industry Position

(*Includes Estimated Sales of Dierks and J-M)

Manufacturers	April	May	June
U.S.G.	20.9	20.9	21.1
National	21.3	21.7	22.0
Georgia-Pacific	11.6	11.4	11.5
Kaiser	7.6	7.6	7.4
Flintkote	8.0	7.8	7.7
Jim Walter	7.8	7.6	7.4
*Dierks	3.7	3.6	3.5
*Johns-Manville	2.7	2.6	2.6
Fabco	1.2	1.2	1.1
Republic	1.9	1.9	1.8
Ruberoid	1.2	1.1	1.1
American	1.3	1.2	1.1
Grand Rapids Gypsum	.9	.9	.8
Texas-Temple	.9	.9	.9
Industry Utilization of Capacity	76.0%	80.6%	77.7%

4. NON-GYPSUM

Building Steel

All Divisions report improvement in market prices. New orders are being taken at present list prices less competitive discounts. Penn Metal is phasing metal lath and accessories out of their line. We expect a sheet steel cost increase which we hope to recover by a price increase early in 1969.

Drywall Steel

Our 7-15-68 price increase (+6%) on drywall screws was successfully implemented. Division Marketing Policy Managers see no opportunity to increase prices in the foreseeable future on studs and runners.

Insulating Board

On 8-1-68 we increased prices $1.00 to $2.00 on Economy Tiles and $4.00 to $6.00 on all other tiles. Announcement did not generate desired old price business. While discounts will likely continue from new list, we expect to realize increase increments.

Sheathing continues highly competitive. Prices declined by an additional 5% in many central and southern markets and we met such prices in response to Danville's need for business. We expect no improvement in sheathing prices during the balance of 1968, but rather some continued gradual erosion.

cc: #150-A - Mr. C. J. Morgan
#150-B - Mr. T. Rembert
#141 - Mr. R. D. Stephan
#194-D - Mr. C. R. Dykes
#146 - Mr. E. W. Duffy
#166 - Mr. D. C. Wright

TO: #131-9 - Mr. A. J. Watt

FROM: #149-1 - Mr. J. L. Baldwin

September 11, 1968

SUBJECT: MARKETING POLICY REPORT AS OF 9-11-68

I. GYPSUM:

PRICE LISTS

Net Sales Averages

	1967 August (Actual)	1968 July (Actual)	1968 August (Est.)	1968 November (Est.)
Wallboard	$40.83	$40.63	$39.50	$39.30
Sheathing	31.01	31.08	30.60	30.75
Lath	29.60	30.76	29.70	30.50
Plaster	24.57	26.94	26.90	27.25
Building Lime	24.82	25.66	25.60	25.60
Partition Tile	119.99	118.00	119.00	120.00

Gypsum Board P/A's

Division	A. Charges No.	A. Charges $	Job Protection No.	Job Protection $
Eastern	80	--	16	26
Central	407	427	67	97
Southern	630	606	32	44
Western	60	434	19	18
National Accounts	18	16	-	-
TOTAL	1,197	2,903	134	181
Change		+803	-30	-36

P/A's now involve [illegible] MSF, equivalent to 118% of [illegible] volume. Of 1,497 allowance P[illegible] (vs 4 months ago) now call for prices more than 5% below bulletin [illegible].

Growth

[illegible] competitive actio[illegible] (Kaiser) has forced re-postponement of revised board prices in [illegible]nia, this time to 10-10-68. Elsewhere in our Western Division, board price [illegible] became effective 8-10-68. In the other three U.S.A. Construction Products [illegible]ns, revised board prices and terms announced for 9-1-68 have been postponed [illegible] to meet Georgia-Pacific, Celotex, Kaiser and Ruberoid; the Eastern Division has just reported picking up customer letters in which National announces revised board prices and terms for 9-16-68.

General Cont.

On 8-15-68 we announced a 9-21-68 plaster price increase in our Eastern, Central, and Southern Divisions. To date, field personnel have submitted copies of letters received by customers announcing similar action by National, Flintkote, Kaiser and Georgia-Pacific.

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

There are increasing reports from the field of competitive offers of price protection to key accounts: Kaiser and Georgia-Pacific are frequently mentioned. In some cases, such protection is not limited to specific jobs, but is reportedly offered on all purchases for some given period after 9-16-68.

Board P/A's now involve 894 MSF vs. 738 MSF a month ago.

Central Division

There is as yet no evidence of competitive intent to withdraw discounts from new list prices. On the contrary, we are encountering competitive job protection in nearly all markets, and competitive guarantees by Celotex and Georgia-Pacific of current prices to major buyers in Cincinnati, Cleveland, Columbus, Detroit, Louisville, and Pittsburgh.

Board P/A's now involve 931 MSF vs. 899 MSF a month ago.

Southern Division

Field personnel find no evidence as yet that American, Dierks, Republic, or Temple intend to revise board prices or terms; in the past, these manufacturers have not regularly issued price lists, so their intents can only be judged by their actions in the weeks ahead. There has been a sharp increase in the number of accounts where we have had to meet competitive discounts exceeding 10%. There were 86 such cases as of August 31 vs. only 26 such a month earlier.

Board P/A's now involve 690 MSF vs. 616 MSF a month ago.

Western Division

Kaiser's postponement of price revisions until 10-19-68 and recurring reports of Georgia-Pacific protection until 12-31-68 make it uncertain that we will achieve any improvement in California this year. Outside that state, the revisions of 8-19-68 seem to be effective.

Board P/A's now involve 446 MSF vs. 461 MSF a month ago.

Wallboard Industry Position

(*Includes Estimated Sales of Dierks and J-M)

Manufacturers	May	June	July
U.S.G.	30.5	31.1	29.9
National	21.7	22.0	22.6
Georgia-Pacific	11.4	11.5	13.3
Flintkote	7.6	7.4	7.6
Jim Walter	7.8	7.7	7.3
*Dierks	7.6	7.4	7.2
*Johns-Manville	3.6	3.5	3.1
Pabco	2.6	2.6	2.4
Republic	1.2	1.1	1.2
Ruberoid	1.9	1.8	1.7
American	1.1	1.1	1.0
Grand Rapids Gypsum	1.2	1.1	1.1
Texas-Temple	.9	.8	.8
	.9	.9	.8
Industry Utilization of Capacity	80.6%	77.7%	87.4%

44. NON-GYPSUM

Building Steel

Competitive prices weakened during August. We were advised of impending raw material cost increases, and hope to achieve a 5% price increase about 1-1-69.

Drywall Steel

No change in aggressive competitive pricing activity even though it appears raw material costs will increase 2-3%. Divisions strongly recommend against any price increase unless there are announcements by regional competitors.

Insulating Board

Our 8-1-68 tile price increase is being realized. We have announced increases on Shingle Backer and Aluminum Siding Coreboard for 9-3-68.

Sheathing prices softened at least 5% in Central and Southern Zones.

Asphalt Roofing

We announced a 3% price increase for 9-15-68 on shipments from South Gate. To meet competition, the distributor discount is being increased from 7 to 8%.

DX(USG)-164

cc: #150-A - Mr. C. J. Morgan
#150-R - Mr. E. Reubert
#141 - Mr. R. D. Stephan
#194-D - Mr. C. E. Dykes
#146 - Mr. E. W. Duffy
#166 - Mr. D. C. Wright

TO: #131-5 - Mr. A. J. Watt

October 14, 1968

FROM: #145-1 - Mr. J. L. Baldwin

SUBJECT: MARKETING POLICY REPORT AS OF 10-14-68

ADMITTED

DX (USG) 164

I. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 September	1968 August	1968 Sept. (Est.)	1968 Dec. (Est.)
Wallboard	$39.85	$39.95	$39.75	$39.15
Sheathing	33.50	29.78	29.70	28.50
Lath	29.04	30.42	30.30	30.00
Plaster	24.81	26.28	26.20	27.00
Building Lime	24.90	26.39	26.00	25.50

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	204	849	31	57
Central	730	901	148	194
Southern	760	496	54	103
Western	33	398	5	8
National Account's	24	188	-	-
TOTAL	1,751	2,832	238	362
Change from 9-11-68	+254	-72	+110	+181

P/A's now involve or protect 3,194 MSF, equivalent to 122% of 1967 volume. Of 1,751 allowance P/A's, 972 (up from 746 a month ago) now call for prices more than 5% below bulletin.

General

Last month we reported that board price revisions originally announced for 7-1-68 became effective 8-19-68 in the Western Division, California excluded. Several days later the Division advised customers of a re-postponement to 10-19-68. Meantime, the Southern California price has slipped to $37 1/2". Flintkote just published this price, but simultaneously announced it would go to $42.50 effective 1-1-69.

UNITED STATES GYPSUM COMPANY

DX(USG)-164

Mr. A. J. Watt -2- October 14, 1968

General Cont.

Reports to date show our 9-21-68 plaster price increase to be generally effective, although we have had to meet some competitive offers of job protection to certain major accounts.

SIGNIFICANT COMPETITIVE ACTIVITY

ADMITTED

Eastern Division

Effective 10-1-68 invoicing at P/A prices was broadened to include allowances down to 5% & 5% & 3% below list. Lowest competitive price level reported and met is old list (pre-9-16) less 5% & 3% & 5% & $2.00, with "extra 3%" cash discount still available. Mr. Underwood describes the overall situation as "confused, cryptic, and occult," and estimates that not more than 5% of 4th quarter business will be at published bulletin prices.

Central Division

Volume accounts in nearly every district report Georgia-Pacific continuing pre-9-16 prices less discounts until year-end; we met where necessary to protect our establishment. St. Louis reports a Division low of list less 5% & 5% & 5% & 5% & 5% offered by Georgia-Pacific and Dierks and likely met by National and Celotex. Job delivery continues to spread, particularly on commercial jobs in non-metropolitan markets. In addition, there have been numerous reports in recent days of job deliveries by Celotex in the Cincinnati and Dayton markets.

Southern Division

Georgia-Pacific continues the most aggressive price competitor and was named in 30% of the recent 450 Green Sheets filed in September. Mr. O'Brien estimates at least 90% of sales being made below published prices. Lowest prices are reported in Texas, with the price in El Paso at a Division low approximately 30% below list.

Western Division

Mill nets on gypsum board continue to decline due to lower selling prices, higher freight costs, and a heavy volume of complaint settlements due to defective board shipped in recent months. For $3.00/MSF, Georgia-Pacific now stocks California jobs using their own trucks. Division Management is readying a proposal to attempt a price increase early in 1969.

DX(USG)-164

Mr. A. J. Watt -3- October 14, 1968

Wallboard Industry Position

Manufacturers	June	July	August
USG	31.1	29.9	32.8
National	22.0	22.6	22.0
Georgia-Pacific	11.5	13.3	12.3
Kaiser	7.4	7.6	7.4
Flintkote	7.7	7.3	7.0
Jim Walter	7.4	7.2	6.9
Dierks	3.5	3.1	2.9
Johns-Manville	2.6	2.4	2.2
Pabco	1.1	1.2	1.1
Republic	1.8	1.7	1.7
Ruberoid	1.1	1.0	1.0
American	1.1	1.1	1.1
Grand Rapids Gypsum	.8	.8	.8
Texas-Temple	.9	.8	.8
Industry Utilization of Capacity	77.7%	87.4%	85.7%

II. NON-GYPSUM

Building Steel

We have announced a 5% increase in the Western Division and expect to announce a similar increase east of the Rockies before year end.

Drywall Steel

No change in aggressive competitive activity.

Insulation Board

Armstrong announced lower competitive prices on Economy Tiles in Metropolitan New York.

We announced a $1.00 per MSF price increase on Roof Insulation from Pilot Rock.

An up-to-date study of competitive sheathing prices confirmed our previous decision not to announce a price change. Market prices continue 15% - 20% below list in most areas.

Asphalt Roofing

Our 3% price increase for South Gate appears effective.

Mineral Wool

Our price increase on shipments from Torrance and Tacoma was raised from 3% to 5% effective 10-14-68. We will shortly announce a 5% price increase for all other plant areas to be effective 10-28-68. Major glass competitors have announced price increases.

DX(USG)-165

cc: #150-A - Mr. G. J. Morgan
#150-B - Mr. E. Rembert
#141 - Mr. R. D. Stephan
#194-D - Mr. C. E. Dykes
#146 - Mr. E. W. Duffy
#166 - Mr. D. C. Wright

TO: #131-5 - Mr. A. J. Watt

FROM: #145-1 - Mr. J. L. Baldwin

November 8, 1968

SUBJECT: MARKETING POLICY REPORT AS OF 11-8-68

ADMITTED

DX (USG) 165

I. GYPSUM

PRICE TRENDS

Net Sales Averages

	1967 October	1968 September	1968 Oct. (Est.)	1969 Jan. (Est.)
Wallboard	$43.76	$39.75	$39.60	$38.00
Sheathing	32.27	31.67	31.40	30.80
Lath	32.36	30.86	30.10	29.75
Plaster	26.80	26.66	26.50	26.40
Building Lime	24.34	26.10	26.10	26.00

Gypsum Board P/A's

Division	Allowances No.	Allowances MSF	Job Protection No.	Job Protection MSF
Eastern	204	896	33	65
Central	698	1,009	166	192
Southern	837	600	103	134
Western	37	409	5	6
National Accounts	20	190	-	-
TOTAL	1,796	3,104	307	397
Change from 10-14-68	+45	+272	+69	+35

P/A's now involve or protect 3,501 MSF, equivalent to 134% of 1967 volume. Of 1,796 allowance P/A's, 1,032 (up from 972 a month ago) now call for prices more than 5% below bulletin.

General

On October 21-22, a productive meeting of Division Marketing Policy Managers was held. Primary emphasis was given to gypsum board pricing strategy for 1969. Various other meetings on this critical subject have now been held, and a proposed course of action is being prepared for final approval.

UNITED STATES GYPSUM COMPANY

DX(USG)-165

SIGNIFICANT COMPETITIVE ACTIVITY

Eastern Division

The lowest competitive price level met is 10-1-67 list less 5% & 5% & 5% & $2.00, or $38.94. A Kaiser price of $38.09 has recently been reported in the Philadelphia market, and Division management is authorized to meet as necessary to retain establishment.

ADMITTED

Central Division

The impact to date of the 9-16-68 price increase is estimated by Division management at less than 25¢/MSF on 1/2" board in most zones. We are, and have been, meeting four 5% discounts in the St. Louis, Kansas City, and Oklahoma markets. Major buyers now allege a fifth 5%, but we have had to meet only with two St. Louis area accounts. Texas Gypsum entered Omaha with a new market low of four 5%'s on carloads and an added volume discount of $1.25 for volume of five cars/month. Johns-Manville lowered its eastern Colorado (37 counties, including Denver) list to $38.50 and announced withdrawal of competitive discounts.

Southern Division

Georgia-Pacific remains the most aggressive competitor, being named in 35% of the 700 green sheets filed in October. Net prices below those existing prior to 9-16-68 are increasingly common in most markets. Division management estimates 12-month 1968 mill net on total SHEETROCK will be $38.00 vs. the $39.50 of 9-months 1968.

Western Division

A 10-30-68 customer letter guaranteed existing prices until 1-1-69 and promised an announcement prior to that date of prices to be effective after it. The Division proposal for 12-2-68 announcement of a 1-16-69 increase of approximately 5% has been received and forwarded to higher management.

Wallboard Industry Position

We shall estimate competitive positions as soon as September industry sales are reported to us.

II. NON-GYPSUM

Building Steel

We have announced a 5% price increase for 1-2-69 in Zones 1, 2 and 3 (east of the Rockies). A similar increase for Zones 4 and 5 was effective 11-4-68. We announced a D/W bead increase of approximately 5% for 1-2-69. Aggressive competition on studs and runners continues.

Asphalt Roofing

J/M announced price increases of 3% and 4% for February and June, 1969.

DX(USG)-166

DX (USG) 1666

USG GYPSUM BOARD PRICE CUTTING TREND

(per JLB Monthly Reports)

Month	Approved Price Cuts	Estimated Volume At Cut Prices	% of Annual Volume at Cut Price
August, 1967	60	N/A	N/A
September	85	N/A	N/A
October	125	341,000,000	16%
November	162	555,000,000	25%
December	194	763,000,000	34%
January,1968	282	1,026,000,000	39%
February	350	1,313,000,000	50%
March	440	1,549,000,000	59%
April	607	1,855,000,000	71%
May	849	2,113,000,000	81%
June	1264	2,494,000,000	96%
July	1398	2,841,000,000	109%
August	1625	3,085,000,000	118%
September	1989	3,194,000,000	122%
October	2103	3,501,000,000	134%

* October - December 1967 based on estimated 1967 total volume; all later figures based on actual 1967 total volume of 2,613,000,000.

DX(USG)-167

DX (USG) 167

USG NET SALES
AVERAGE -- GYPSUM BOARD
(Per JLB Monthly Reports)

MONTH	NET SALES AVERAGE--MSF
Sep 1967	$39.85
Oct	43.76
Nov	43.86
Dec	42.14
Jan 1968	43.35
Feb	43.46
Mar	41.88 (est.)
Apr	42.54
May	42.19
Jun	40.38
Jul	40.63
Aug	39.95
Sep	39.75

cc: All. [illegible] - Mr. R. L. Smith
All. [illegible] - Mr. A. S. Olivia
All. [illegible] - Mr. C. J. Atwood
All. [illegible] - Mr. E. S. Donnan
All. [illegible] - Mr. E. F. Hussey
All. [illegible] - Mr. C. E. Thompson
All. [illegible] - Mr. S. E. Purcell
File

TO: [illegible] - Mr. J. L. Baldwin (3)

FROM: [illegible] - J. P. O'Brien

SUBJECT: MERRIFIELD POLICY REPORT
SOUTHERN CONSTRUCTION PRODUCTS DIVISION
OCTOBER 1968

October 31, 1968

FIELD TRIPS

DX (USG) 181

STEVEN MILLHOUSE

GENERAL

During October it became clear that our competitors were paying little attention to their previous public announcements of mid-September escalation in their selling price levels, and/or adoption of a 8-20 PM cash discount policy.

The districts in this Division filed an approximate 700 individual 'competitive price/policy reports' to indicate the intensity and varying detail of the competitive price/policy attack on our establishment. 250 or approximately 1/3 of these reports cited S-F/Bestwall. Reference to Schedule I attached will indicate the identity of the competitors involved, the frequency, and the markets in which they were encountered.

The gist of the various reports was this:

1. Protection of the discounted pre-September '68 selling price is common, and protection of a maximum 3% cash discount from the discounted price level only slightly less so.

2. The previous rate or series of trade discounts has been increased by approximately 3% to those accounts who were moved to a 8-20 PM cash discount basis.

3. Net price levels below those quoted prior to 9/16/68 are increasingly common in many markets.

4. Any publication of a F/L vs. C/L premium is meaningless, as it is now rarely mentioned and even less seldom quoted by our collective competitors.

5. Job delivery is no longer a rare occurrence.

In order to protect our establishment and market share from the varying degrees of competitive price attack, we again have an approximate 600 approved F/A's in the Division, and approximately 100 Terms Exceptions to permit a 3% seven cash discount, on the competitively discounted net price levels.

The following recapitulation indicates the varying degree or rate of competitive discounts we have found it necessary to meet to protect our market position. An almost equal number of additional or revised P/A's will be processed through this department within the next 60 days if the apparently accelerating rate of competitive attack on our establishment continues. The P/A's reflected in this recapitulation do not include those issued to merely waive T/L vs. C/L delivered price differentials.

Since Sept. 16 we have "billed" all customers at the 9/16/68 bulletin levels. Credit memoranda, to adjust the accounts of those for whom we now have approved P/A's, will be issued in months subsequent to shipment. These credits, and the increasing rate of discount which must be extended to maintain a competitive posture, will adversely affect our plant net level in late '68. A 12 month '68 P. N. of approximately $38.00 is likely vs. the $39.50 NSP of 9 mo. '68 on all XXXXXXXX.

NUMBER OF P/A'S ACTIVE AND RATE OF "PRICE" DISCOUNT AS OF 10/28/68

(RATE OF DISCOUNT FROM PRE-9/16/68 BULLETIN)

AREA	5% to 10%	10% to 15%	15% to 20%	20% or More	Total
Southwest	12	38	28	1	79
Seaboard	23	20	2	0	45
Southeast	65	11	0	0	76
Sub Total	100	69	30	1	200

(RATE OF DISCOUNT FROM 9/16/68 BULLETIN)

Southwest	27	29	13	1	70
Seaboard	155	9	0	0	164
Southeast	157	3	1	0	161
Sub Total	339	41	14	1	395
TOTAL -------	439	110	44	2	595

The apparent practices of our individual competitors vary by market, by account, but they are, in total, quite similar. This is the gist of it by individual competitor.

AMERICAN SYNTEX COMPANY

Quotes price levels approximating 22% below the September 1, 1968 level of USO for 93¢ C/L's delivered to New Mexico, and west Texas markets. T/L and/or job delivery provided at the same low level as C/L.

CELANEX

1. Extends trade discounts ranging from 5% from the 9/16/68 USO level to approximately 16% from the pre-September 16, '68 level of USO on a 2-20 FH basis, and/or -

2. Allows a 5% cash discount for "quick pay" with trade discounts ranging from 5% to 13% from the pre-Sept. 16, '68 level of USO.

3. Provides T/L delivery at no premium over C/L.

CELANESE

Encountered in only Texas markets where they provide T/L and C/L delivery at the same price levels which approximate 13% below the Sept. 16, '68 level of USO for 93¢ C/L's.

DUPONT

1. Makes T/L or C/L delivery at prices ranging from approximately 5% to 18% below the pre-Sept. 16, '68 quotation of USO for 93¢ C/L's.

2. Extends a maximum of 5% cash discount to selected accounts for "quick pay".

3. Permits plant pick-ups and hauling allowances to selected dealers in the Southwest.

FIBERSOL

1. Extends trade discounts ranging from 5% from the current USO bulletin level to approximately 15% from the pre-9/16/68 level of USO.

2. Extends 5% cash discount to selected accounts for "quick pay".

3. Provides T/L or C/L delivery at the same discounted level from the USO 93¢ C/L bulletin levels.

CELANESE-PACIFIC

1. Extends trade discounts ranging from 5% to as much as 25% from the pre-9/16/68 bulletin level of USO.

2. Permits 5% cash discount for "quick pay" to a relatively large number of accounts.

3. Makes no distinction in the delivered price for truck vs. rail.

4. Suggests to large volume accounts in Texas that their presently discounted price levels can be guaranteed well into, or in some cases for all of,1969 if firm orders are placed with them now.

5. Job delivers as a regular practice.

[illegible]

The market approach of this competitor varies from that of Georgia-Pacific only in that it is not quite as wide spread; however, in those markets where this competitor is active, his approach to the market is much the same as that of Georgia-Pacific except for the offer of protection through '69.

[illegible]

1. Quotes price levels ranging from approximately 5% to as much as 20% below the USG bulletin level. The 20% discounts generally in the New Haven - west Texas area, with other markets ranging between the 2 extremes.

2. Broadly extends a maximum of 5% cash discount for 'quick pay'.

[illegible] GYPSUM COMPANY

1. Provides T/L shipment at C/L level on an almost automatic basis in most markets.

2. Extends "trade discounts" ranging from one 5% to three 5%'s from the pre-9/16/68 level of USG.

3. Continues a 5% cash discount practice with selected, and an apparently limited number of accounts.

[illegible]

1. Makes job delivery a normal practice throughout the Southeast.

2. Quotes price levels ranging from 5% from the current USG level to as much as 20% from the old USG bulletin level.

[illegible]

1. Makes T/L delivery at C /L levels, and job delivery by truck.

2. Quotes price levels ranging from 5% from the current USG level to as much as 15% below the pre-9/16/68 level of USG.

[illegible]

Subject to the same competitive pressure and discount rate as willboard, with Georgia-Pacific being the most aggressive and broadly concentrated source of the problem.

[illegible]

Currently protected by competition at price levels approximating 5% below the Sept. '68 level of USG.

NEW ITEMS

On October 1, 1968 we announced the following price escalations for effect April 1, 1969 with NO job protection:

Pyrofill - $1.50 per ton at all Division Plants
Thermofill - $1.00 per ton at Jacksonville only
Sheetrock Fireboard - $5.00 MSF
Insulation, Acoustical and Plastic Panel Sheetrock Fireboard - $5.00 MSF

We frequently reject requests for a $4.05.00 per MSF price to meet competition on 2" Insulation Fireboards. This on the basis of a unsatisfactory gross profit ratio to net sales: i.e., 11 to 20% depending on the destination or type delivery involved. "Marketing Services" is field testing a new formulation 2" "Thermax" with a $4.05.00 per MSF on a trial job basis. We assume our costs for this new product will permit an improved profit result at the apparently needed market price for this type product.

[illegible] CEMENT

We find it increasingly necessary to meet competitive lower prices on both Acoustone and Acoustone type materials. Price levels on competitive "Acoustone" type materials range from 1/2¢ to 1¢ per sq. ft. below the prevailing USG bulletin level. Acoustone 1¢ below bulletin, with protection through late '69 an increasingly common occurrence.

It is now apparent that any order for a T/L or greater quantity of these type materials can be purchased at approximately 1¢ per sq. ft. below the USG quoted level with little or no dogging effort on the part of the buyer.

"Sales" and "Marketing Services" are preparing a recommendation for action to correct a situation which finds our plants with virtually no orders for immediate shipment. Under the prevailing competitive conditions, it is essential that the Division be delegated authority to "meet competitive lower prices" down to 1¢ or 2¢ below our present bulletin if any "Sales" or "Marketing" program is to be effective.

NON-GYPSUM PRODUCTS

ASBESTOS

On September 19, 1968 National Gypsum Co. publicly announced new delivered prices for their asbestos board sheets. We presently price this type material on "gross" bulletin to meet competition. A revision of our present bulletin is required in view of the competitive price change announcement.

ASPHALT ROOFING

We began limited shipment of this type product from our Jersey City plant.

Competitive prices for strip shingles are in the $5.90 per Sq. range: i.e., $7.10 less 7½ - 5% and 5%. This selling price at present costs produces a gross profit to net sales ratio in the 1% to 2% range on "strips".

BUILDING BOARD

During the month we announced that we would as of January 1, 1969 increase our bulletin level for this type commodity by approximately 7%. Competitive price levels range from 10% to 25% below our present bulletin levels. Whether or not it will be competitively practical to attempt escalation of our bulletin and/or withdrawal of the discounts we presently extend to meet competition is almost completely dependent upon the action taken by "competition" to protect their presently discounted levels into 1969.

DRYWALL STEEL

Competitive price levels vary from day to day, job to job, and order to order. Generally they are 15% to 25% below the USG bulletin level range. There are no indications that this competitive situation is likely to change in the foreseeable future, and there is equally little reason to believe that the competitive levels will stabilize to a point where the publication of a USG revised selling price level might become practical. Our gross profit ratio to net sales on metal studs and runners continued in the 13% to 15% range. The overall gross profit ratio for the drywall metal component group is 25%.

INSULATION SHEATHING

The present bulletin levels for Insulating Sheathing-1/2" range from $42.00 to $46.00 in the Division. We have been meeting competitive price levels in the $35.00 to $38.50 range.

On November 1, 1968 we will escalate our bulletin levels by $2.00 per MSF. We may, for a very brief time, secure some portion of the $2.00 per MSF bulletin price escalation. There is, however, little likelihood that we can do this on a continuing basis, and even less likelihood that the trade discounts presently extended by competition will not be applicable to the new and higher lists.

INSULATION WOOL

The present general sales bulletin level for 3" wool ranges from $48.75 to $51.00 per MSF. We are, however, by "green bulletin" meeting the competition of "Rens" in the Southwest at $46.75 MSF for 3".

On October 14, 1968 we publicly announced that we would, as of October 28, revise our bulletin to a $51.50 to $53.50 range. The overall effect being escalations ranging from $2.50 to $4.75 across the Division.

It has not been competitively practical to implement this price change since there is no indication that the "one plant" producers located in this Division have made any change in their going price list levels ($46.75 to $51.00), or the trade discounts ranging from 10% to 24% which they extend from them.

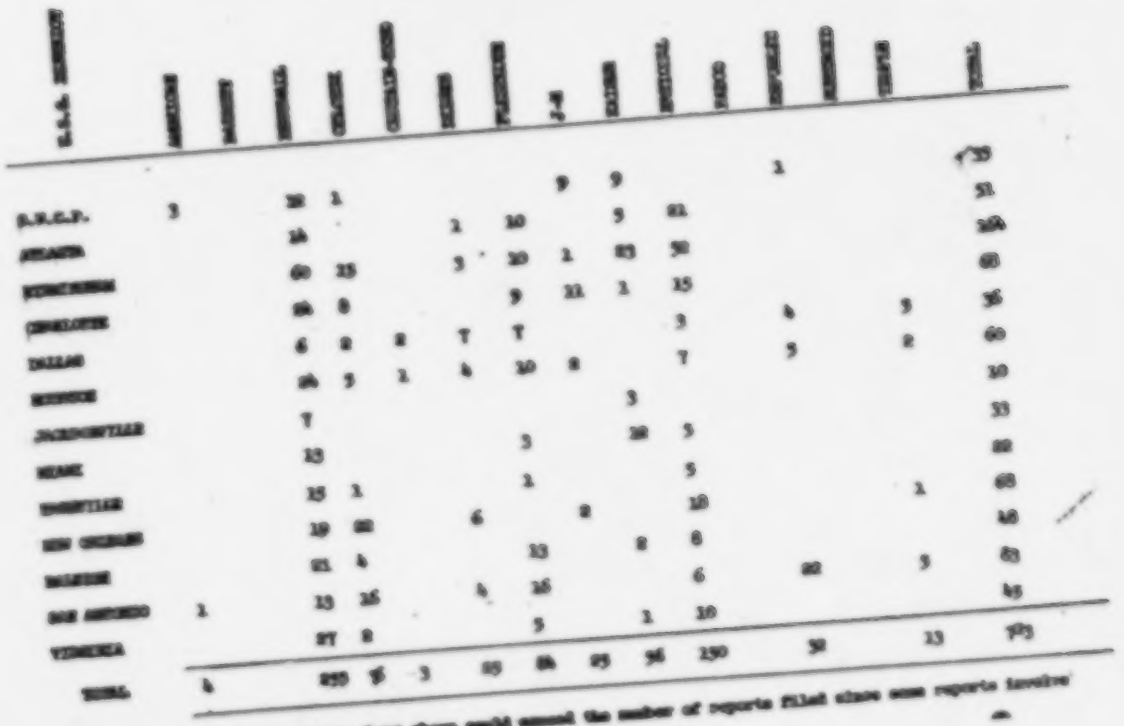
Whether or not it will be competitively practical to implement our October 14, 1968 announcement is almost completely dependent upon the developments of the next 30 days.

Unless there is some evidence of a constructive move on the part of the "rock" wool manufacturers within that time, it is unlikely that we will realize benefit from our October 14, 1968 announcement.

JOINT TREATMENT

No overall improvement in the situation reported in previous months. In fact some further deterioration is evident. Part of this deterioration in the Louisiana and Delta area resulting from the apparent entry of GEORGIA into the ready mix business. Reports indicate that they are securing this type material from the Louisiana plant of National Gypsum Company, and their aggressive price action, added to the continuing threat of the Georgia-Pacific and the independent producers, will shortly have an adverse effect on our current gross profit (9 mo. '68) ratio of 36%.

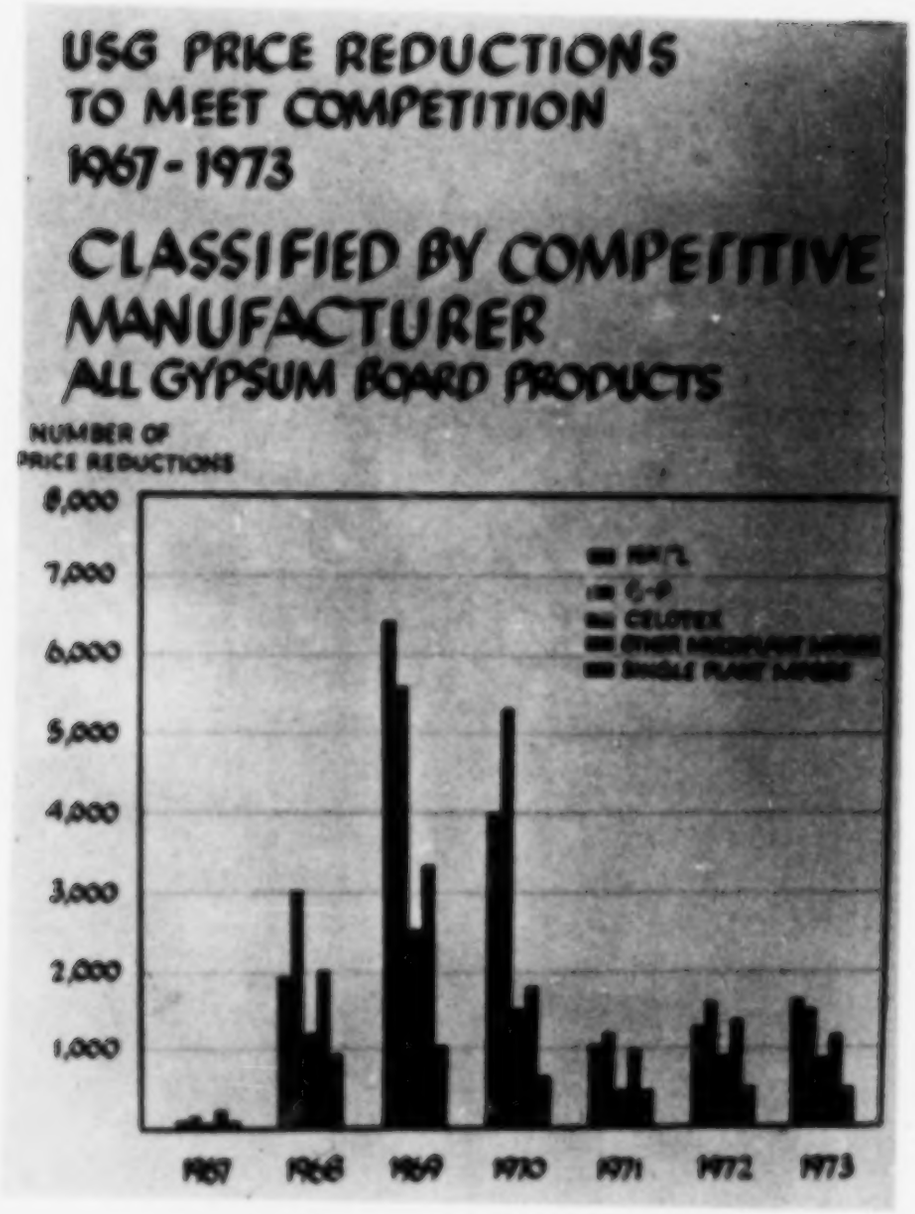
JFO:bs
Attachment

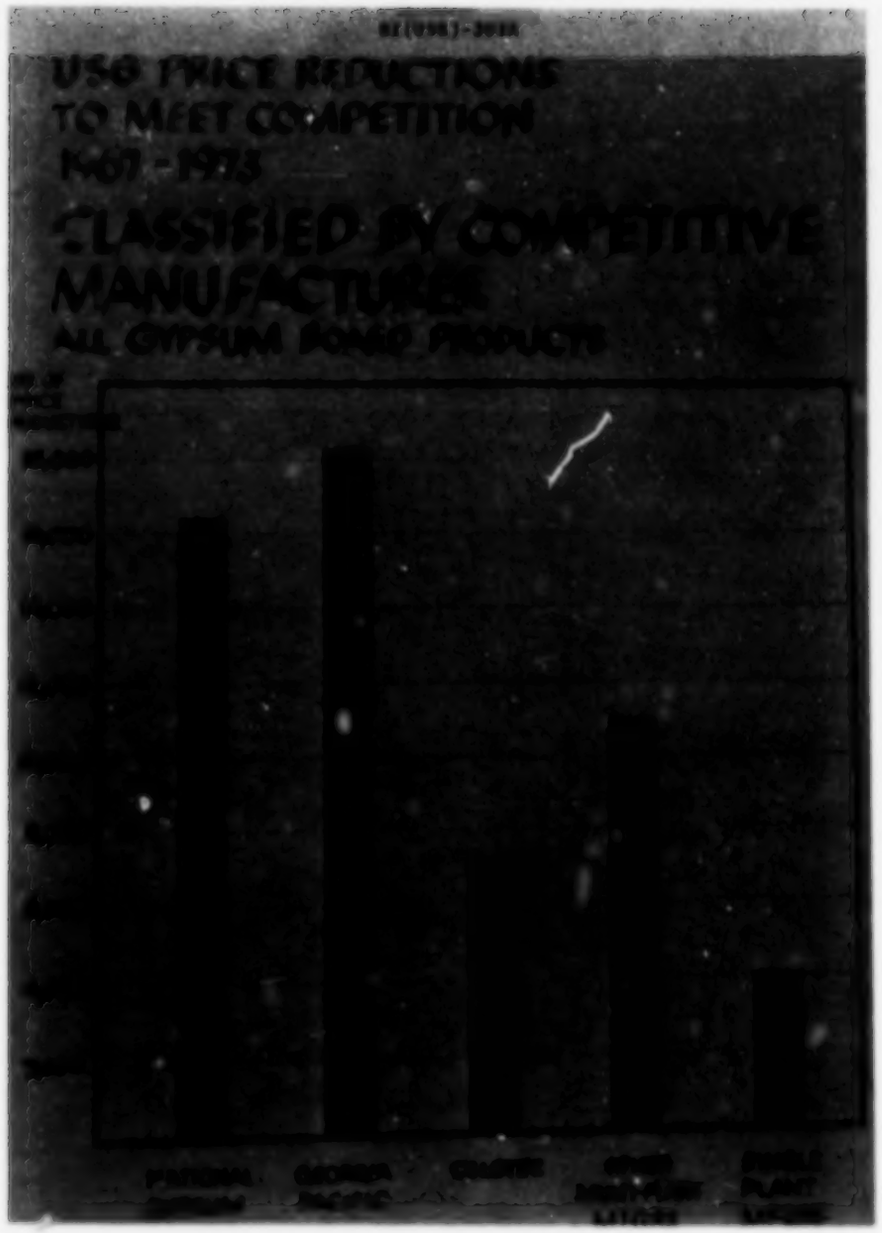


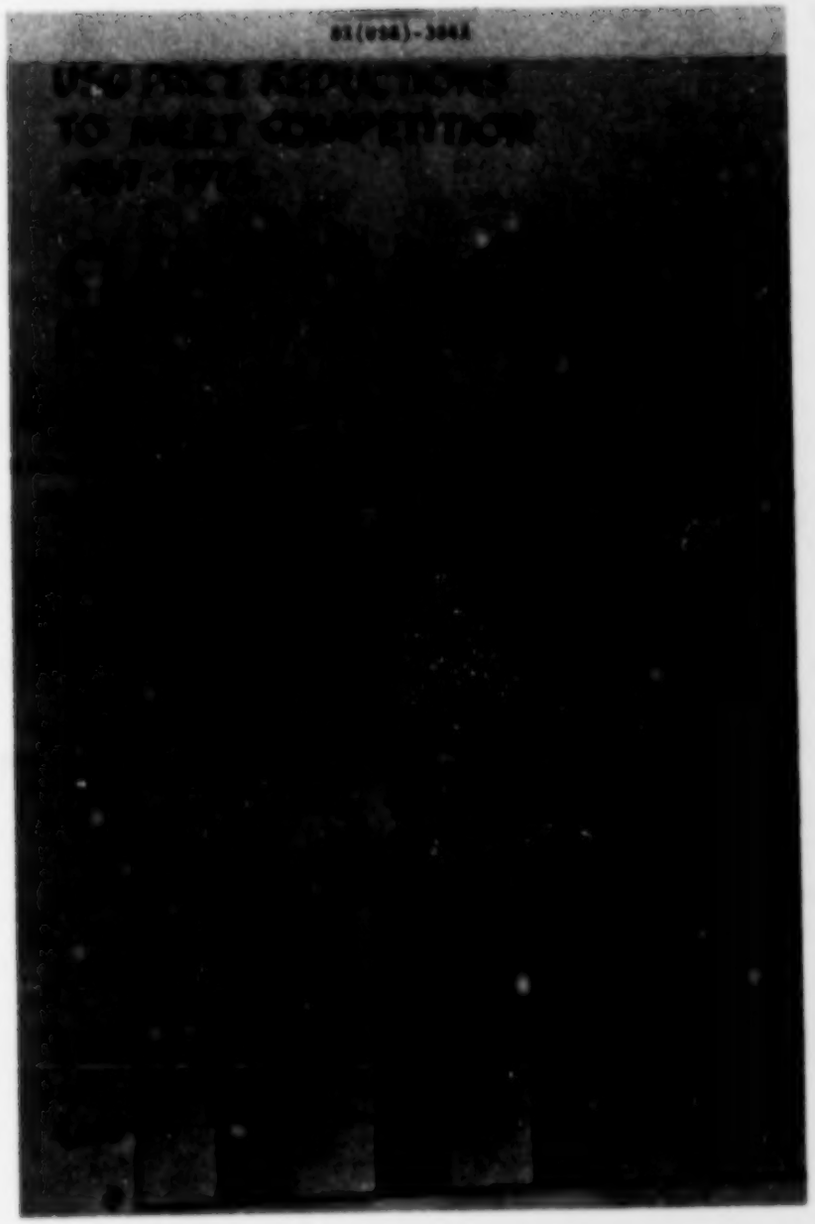
USG PRICE REDUCTIONS TO MEET COMPETITION
1967 - 1973
CLASSIFIED BY TYPE OF COMPETITIVE SITUATION
ALL GYPSUM BOARD PRODUCTS

TYPE OF COMPETITIVE SITUATION	NUMBER OF USG PRICE REDUCTIONS TO MEET THE COMPETITIVE SITUATION
DISCOUNT OR ALLOWANCE BELOW USG'S PUBLISHED LIST PRICE	39,475
LOWER PUBLISHED LIST PRICE THAN USG'S	405
PRICE PROTECTION	5,192
LOWER CHARGE FOR TRANSPORTATION OR SPECIAL HANDLING	5,691
OTHER PRICE REDUCTIONS	555
TOTAL	51,318

DX(USG)-301A


USG PRICE REDUCTIONS
TO MEET COMPETITION
1967 - 1973
CLASSIFIED BY COMPETITIVE
MANUFACTURER
ALL GYPSUM BOARD PRODUCTS
NUMBER OF
PRICE REDUCTIONS
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
CELOTEX
1967
1968
1969
1970
1971
1972
1973


USG PRICE REDUCTIONS
TO MEET COMPETITION
1967 - 1973
CLASSIFIED BY COMPETITIVE
MANUFACTURER
ALL GYPSUM BOARD PRODUCTS



81(956)-306

U.S.'S SOUTH USA AND CENTRAL AMERICA LIST PRICE CHANGES
EFFECTIVE DATES - 1967 - 1972

Exh. No. 305

Proposed Effective Date	Original Announcement Date	Divisions Affected	Increase or Decrease	Postponed Modified or Cancelled
2-20-67	12-12-66	All	Increase	
5-15-67	2-15-67	All	Decrease	
10-1-67	8-4-67	B-D-C	Increase	
10-1-67	8-4-67	B(1)	Increase	Postponed & Modified
7-1-68	2-29-68	B(1)	Decrease	Postponed & Modified
9-1-68	7-8-68	B-D-C	Increase	Postponed
1-16-69	12-20-68	B(1)	Increase	Postponed & Modified
5-1-69	1-22-69	B-D-C	Increase	
6-1-69	4-17-69	B(1)	Decrease	Postponed
9-1-69	5-15-69	B-D-C	Increase	
9-15-69	8-22-69	B(2)	Increase	
1-1-70	11-24-69	All	Decrease	Postponed & Modified
6-8-70	3-24-70	B & C(2)	Decrease	Postponed & Modified
9-1-70	5-12-70	B(1)	Decrease	
9-9-70	7-14-70	B-D-C(2)	Decrease	Postponed & Modified
9-22-70	7-22-70	B & C(2)	Increase	
1-4-71	11-13-70	All	Increase	
4-1-71	2-5-71	All	Increase	
6-7-71	4-30-71	All	Increase	Postponed
8-21-71	7-2-71	All	Increase	Cancelled
1-31-72	12-30-71	All(3)	Increase (3)	
3-20-72	1-31-72	B-D-C(3)	Increase (3)	
7-1-72	5-12-72	All	Increase	Cancelled (4)
1-15-73	11-17-72	All	Increase (3)	Postponed (4)
5-14-73	4-27-73	All	Increase	Cancelled
9-30-73	8-28-73	B-D-C	Increase (3)	

(1) Portions of other divisions affected.
(2) Less than full division affected.
(3) This increase made within Federal Price Control Regulations.
(4) Except in a few markets.

BEST COPY AVAILABLE

PX 306

USG REALIZED PRICE & MARKET SHARE

1966 - 1973

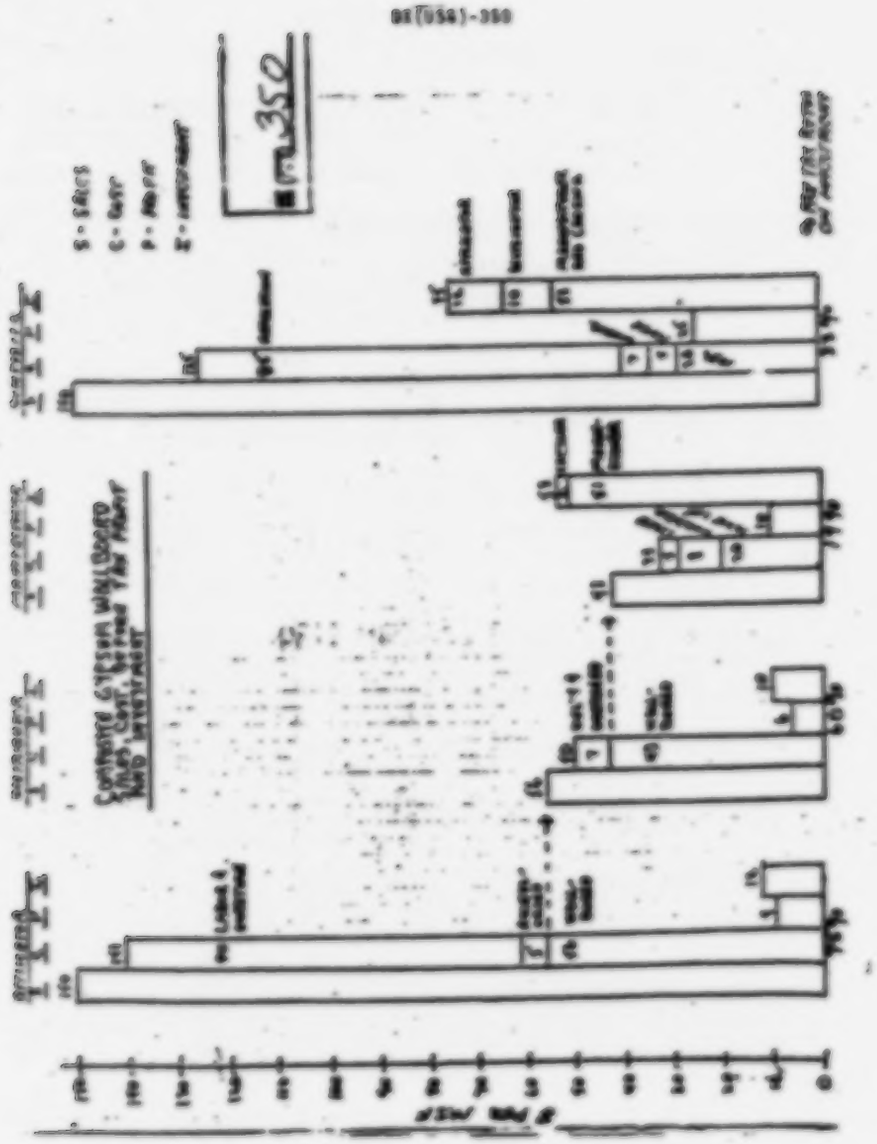
Year	Realized Price (1) 1/2" Wallboard $ per MSF	USG Market Share (2) Total Gypsum Board
1966	$39.88	34.3%
1967	40.77	33.9
1968	40.83	33.8
1969	36.82	33.0
1970	31.29	31.4
1971*	33.30	32.1
1972*	33.72	32.3
1973*	35.79	32.0
Change 1966 to 1973	- 3.31	- 2.3%

*Federal Government Price Controls in effect.

(1) Calculated from Data Submitted to Bureau of Mines by U.S. Gypsum.

(2) Measured in Dollars per Govt. Exhibits 7 and 5025

PX 350



SX(USG)-351

EXHIBIT 351

COMPETITION IN DISTRIBUTION

LOW SUPPLY CASE

1970-1973

YEAR	LOCATIONS	NET SALES $ 0	ADDED GROSS MARGIN $ 0	% USG TOTAL WALBD. SALES
1970	18	1,426	348	.7
1971	31	18,678	4,238	6.6
1972	38	33,748	7,969	10.2
1973	55	63,305	14,671	18.1

SX(USG)-401

EXHIBIT 401

TO: Mr. Edward Rembert - 6150-E, Chicago January 30, 1967

FROM: Mr. E. L. Beach - 6900, Atlanta

SUBJECT: GYPSUM BOARD VOLUME - INDUSTRY POSITION OUTLOOK - 1967

The purpose of this letter is to summarize the discussion we had in your office with messrs. West and Brown pertaining to 3rd Quarter 1966 industry position loss on Gypsum Wallboard and the outlook for 1967 under our present price and policy program.

In November/December, 1966, the Southern Construction Division established 1967 sales goals on Gypsum Wallboard which required:

(1) The sale of an approximate 535,000 MSF of Gypsum Sheetrock Wallboard, and

(2) The maintenance of an industry position or market share for 1967 to approximate 30% on this product.

At the time the 1967 goal was established it was based on the following:

(1) Known 2nd quarter 1966 industry position on Gypsum Wallboard of 31.0%, and

(2) There would be some further erosion in industry position in 1967, provided the competitive situation remained unchanged, but the Division could through an all out sales effort achieve its reduced sales goal (30% industry position).

Industry position data which became available to the Division in late December now indicates that:

(1) 3rd quarter 1966 industry position on Gypsum Wallboard more nearly approximates 25.8% rather than the previously assumed 30%.

(2) Further, industry position loss sustained in the 4th quarter 1966 could result in a year-end 1966 level slightly above 20% - A drop of approximately 5% below that which prevailed during the 3rd quarter.

(3) The conditions which caused the sharp drop in industry position since mid-year 1966 can, if unchanged result in a 1967 Division industry position to more nearly approximate the estimated year-1966 level of 20% rather than the 30% which we estimated at the time the Division goals were established.

("end"

UNITED STATES GYPSUM COMPANY

It is, therefore, necessary to: (1) identify the factors which caused the recent precipitious decline in our industry position, (2) formulate plans to either more effectively combat the competitive inroads being made into our establishment, or (3) tailor our 1967 marketing approach/coverage to more nearly accommodate the competitive conditions as they now prevail.

This is the consensus on the apparent present and foreseeable future situation:

(1) The sharp loss of industry position in this Division, which became obvious at the close of 3rd quarter 1966, would have occurred earlier in the year if:

(a) We had not been able to utilize our superior total production capacity to ship unusually large quantities of our material in the period immediately preceding the May 1, 1966, escalation of our selling prices.

(b) The overall drop in the total market opportunity had occurred before rather than after mid-year 1966.

(2) The drop in industry position which first became a matter of record at the close of the 3rd quarter 1966 has continued in the 4th quarter of 1966.

(3) The apparent continuingly adverse trend in our industry position results from the activity of the same competitors and their employment of the same marketing tactics they employed in the 3rd quarter of 1966. Specifically - Georgia-Pacific/Bestwall and the "one" plant Gypsum wallboard producers.

(4) The 5.8% loss in percentage of market share occurring in the 3rd versus 2nd quarter 1966 equates to a quarterly loss of approximately 50,000 MSF in unit sales and an approximate $1,052,000 net sales and $526,000 gross profit related to it.

(5) Provided USG industry position loss as it appeared to occur in the 4th quarter of 1966, continues on an unchanging basis, then our industry position in 1967 will more nearly approximate 20% versus the 30% established as the 1967 goal.

(6) The sale of an approximate $38,000 MSF in 1967 was predicated on the assumption that we would achieve a 30% industry position while the now indicated 1967 industry position approximates 20% - This loss will approximate 170,000 MSF. Loss of this unit volume at a projected 1967 realized price of $38.45 per MSF, and a gross profit ratio to approximate 50% to net sales, equates to a loss versus 1967 goal of $6,892,000 in net sales and an approximate $3,446,300 in gross profit for 1967.

The following outlines the competitors to whom we have lost industry position and sales volume under our current policy not to react to and/or meet competition. There have been 3 major competitive threats to the maintenance of USG establishment and industry position in this Division:

(1) The "one plant" producers such as Flintkote, American, Temple, and Republic.

(2) The increasingly more serious broad threat as posed by Georgia-Pacific/Bestwall.

(3) The isolated specific account attack of "multi-plant" competitors on USG establishment.

Point #1 - The industry percentage or market share of the "one plant" producers will continue to increase in ratio to their production volume impact on the reduced market potential. While this is a primary threat in the Southwest sales area, it also has considerable impact in the Southeastern portion of the Division.

Point #2 - Our losses to G/P are both direct and indirect in nature and stem primarily from their successfully aggressive and changing marketing practices:

(1) Our losses are direct in that former major volume dealers no longer purchase the bulk of their requirements from us, purchasing same from G/P-Bestwall.

(2) Our losses are indirect in that dealers through whom we previously sold the high proportion of the market no longer can compete with either G/P-Bestwall direct and/or their dealer outlets.

(3) While the practices of G/P vary by market and sales area, the net result remains essentially the same, i.e., they supply gypsum board at prices with which USG dealers cannot profitably compete.

(4) In order for dealers to compete with G/P in most markets they are required to seek out and establish a source of supply which will provide gypsum board at prices affording a profit; i.e., lower cost board available from "one plant" producers.

Point #3 - The accumulative adverse impact of the multi-plant competitor attack on our major volume accounts to whom they currently sell on an exclusive basis within the Division; i.e., Flintkote with Wickes (22 yards) - National with West - G/P-Bestwall with Gruman. Further, while Lowe's has not been a USG account, National/Georgia-Pacific/Bestwall continue to increase their market share through this high volume outlet who sells at prices below which USG dealers are able to compete.

The adverse effect of competitive conditions described herein, and their impact on our business is described on a state by state basis in the attached summaries.

Summary:

It is estimated that various categories of competition encountered in this Division, mentioned in this report, have contributed to a loss of 3rd quarter 1966 market position in the approximate proportion:

(1)	"One" Plant Producers	23%
(2)	G/P-Bestwall	67%
(3)	"Other" Multi-Plant Competitors	10%
	Total	100%

One Plant Producers

This type competitor has made and is likely to continue to make inroads into our establishment by extension of a "price" inducement sufficient to offset, in some markets, the relative superiority of USG in unit responsibility, sales coverage, services and full line products and plant locations. We can, however, minimize our loss of market share to this type of competitor by utilization of these ping advantages and provided we are not under continuing and simultaneous attack by the multi-plant competitors in the same markets.

Georgia-Pacific

Plus advantages of USG will not be as effective and/or available to combat the attack of this competitor on our market position. G/P operates warehouses or supply points in about 30 of the major marketing areas within the Division. They stock gypsum wallboard and have it available for local delivery from at least 20 of these supply points. All G/P personnel sell gypsum wallboard for delivery from either their warehouses and/or direct from plant. Further, local G/P managers seem to have a sufficient degree of marketing/price autonomy to permit continuing utilization of their total marketing capacity, facilitating sale of gypsum wallboard products in increasing volumes in all markets.

The degree or manner in which G/P utilizes its total marketing flexibility, varies by market. The consensus is that this marketing advantage equates to a G/P versus USG selling price edge of approximately 5%.

Other Multi-Plant Competitors

The adverse effect of National Gypsum Company and/or Flintkote on our establishment and market position is somewhat less than that of G/P. This solely because the attack of National and Flintkote has to date been primarily confined to Virginia, the Carolinas and Georgia area, or specific volume dealer accounts who operate primarily within these

DX 406-A

1970 DUKE, OKLAHOMA, TRADING AREA
(500-mile radius)

		% of U.S.A.
Population[1]	24,983,356	12.3
Gypsum Board Plants[2]	15	19.5
People Per Board Plant	1,660,224	

1970 PITTSBURGH, PENNSYLVANIA, TRADING AREA
(500-mile radius)

		% of U.S.A.
Population[1]	108,431,785	53.3
Gypsum Board Plants[2]	32	41.6
People Per Board Plant	3,388,493	

U.S.A.

1970 Population[1]	203,213,877
1970 Industry Gypsum Board Plants[2]	77

[1] Department of Commerce 1972 County and City Data Book

[2] From "North America Gypsum Producers and Processors".

USG MARKETING RESEARCH
4/1/75

500-MILE RADIUS AROUND DUKE, OKLAHOMA

	1970 Population	
Total States		
Kansas	2,249,389	
Oklahoma	2,559,463	
Partial States		
Arkansas	1,690,709	
Colorado	1,959,378	
Iowa	39,651	
Louisiana	1,227,326	
Mississippi	49,409	
Missouri	3,711,998	
Nebraska	764,072	
New Mexico	880,662	
Texas	10,791,399	
	34,903,396	13.34 USA

SOURCES

POPULATION: County and City Data Book - 1972, Department of Commerce, Bureau of the Census.

500-MILE RADIUS AROUND FITZGERALD, PENNSYLVANIA

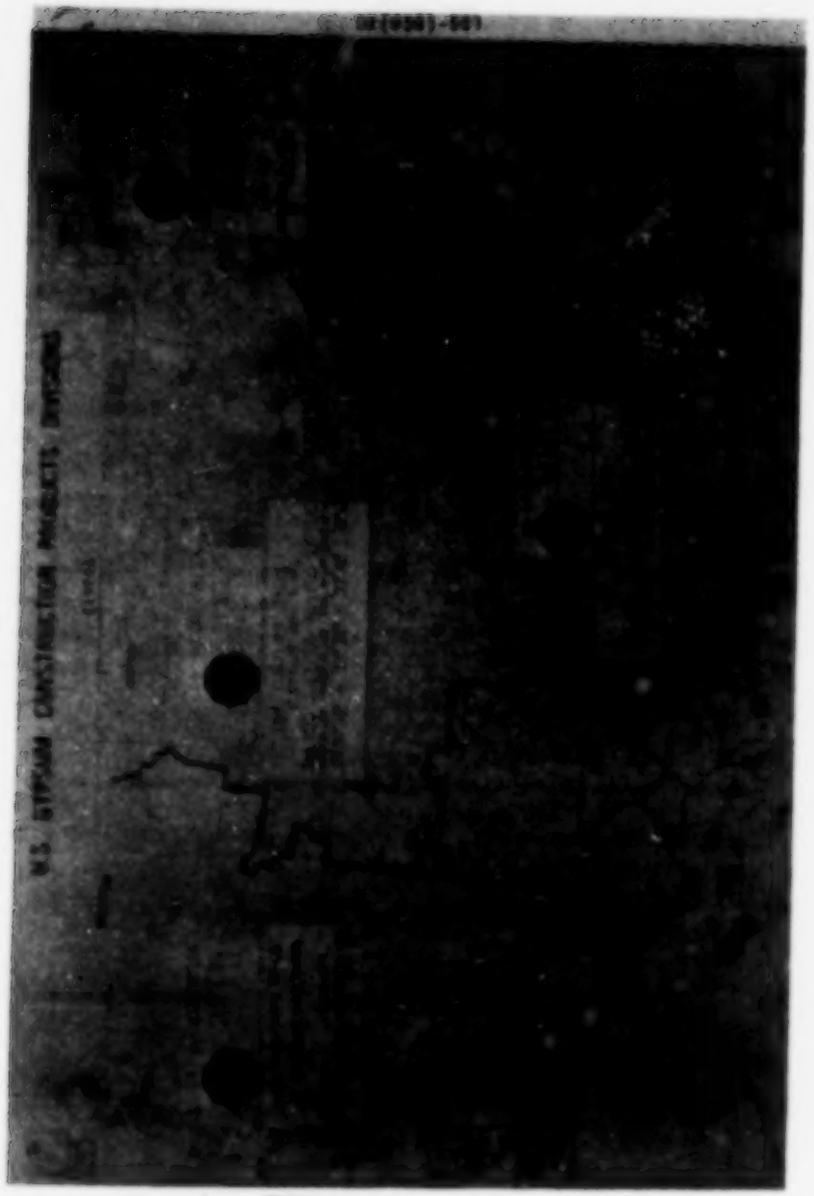
	1970 Population	
Total States		
Connecticut	3,032,217	
Delaware	548,104	
District Of Columbia	756,510	
Indiana	5,193,582	
Maryland	3,923,360	
New Jersey	7,171,112	
New York	18,241,266	
North Carolina	5,084,411	
Ohio	10,655,243	
Pennsylvania	11,796,877	
Rhode Island	949,723	
Virginia	4,651,448	
West Virginia	1,744,237	
Partial States		
Georgia	592,094	
Illinois	8,586,048	
Kentucky	3,648,183	
Massachusetts	5,367,060	
Michigan	8,419,488	
New Hampshire	684,942	
South Carolina	2,185,466	
Tennessee	3,917,877	
Vermont	439,316	
Wisconsin	4,298,594	
	109,431,765	53.44 USA

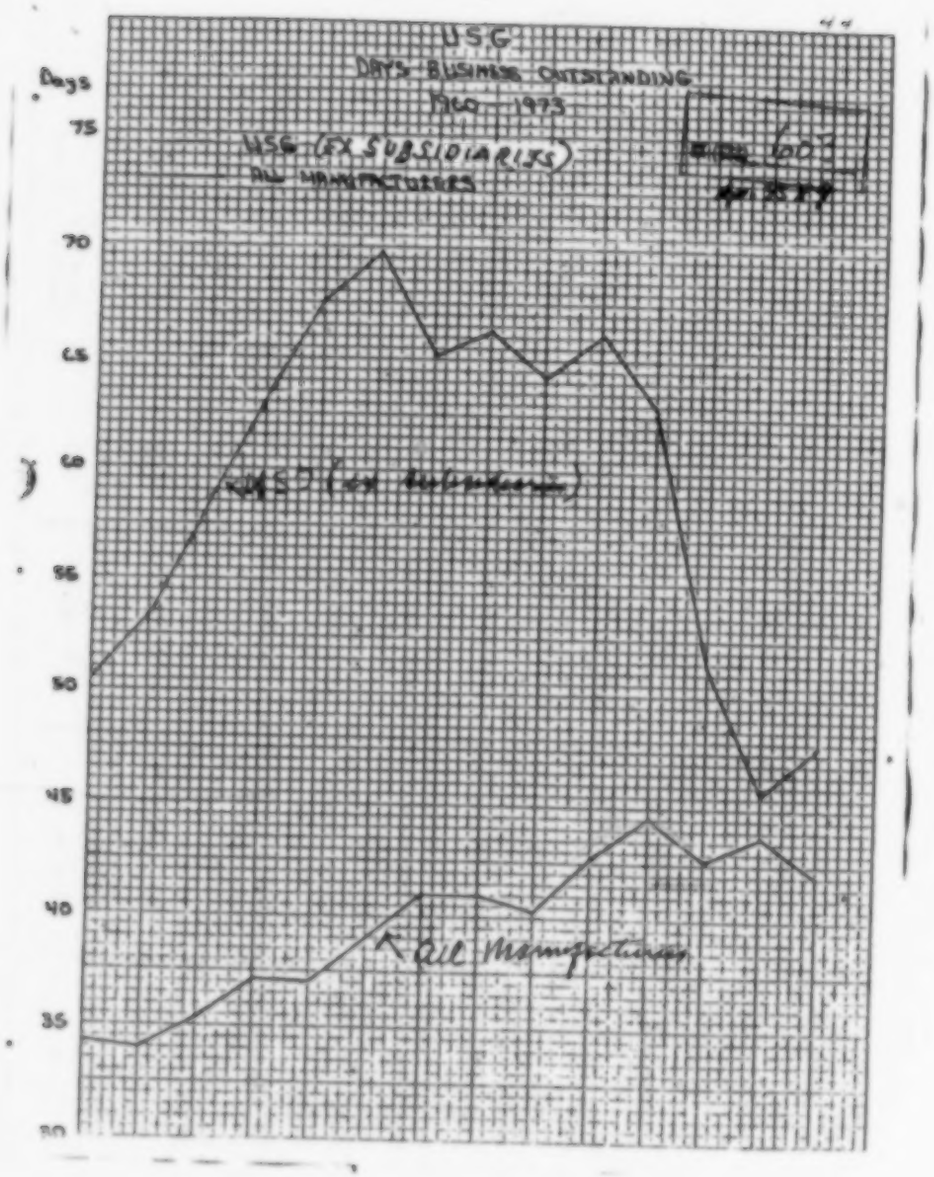
SOURCES

POPULATION: County and City Data Book - 1972, Department of Commerce, Bureau of the Census.

PA - MC - 2

MARKETING RESEARCH





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USG DEF 605

USG
CASH DISCOUNT AND TERMS CHANGES
GYPSUM WALLBOARD

1966 - 1973

Effective Date	Maximum Discount	Discount Due Date	Net Due Date	Cutoff Date	Geographic Area (Divisions)
Pre 3-1-66	2%	10th PM	End PM	25th	USA
3-1-66	2%	20th PM	10th 2nd PM	Month End	USA
9-21-66	2%	20th PM	10th 2nd PM	20th	USA(except parts Southern and Central Divisions)
8-22-67	5%	15 days 5%	10th 2nd PM	15 days	East-South-West Partial Central
		20th PM 2%		20th	
5-22-67 Rev.	5%	15-30 days 5%	10th 2nd PM	15th 30th	East-South-West Partial Central
		20th PM 2%		20th	
7-16-68	2%	20th PM	10th 2nd PM	20th	West + N.N., Colo., E. Wyoming, E.Montana & parts of Texas
8-1-68	5%	15-29 days 5%	10th 2nd PM	15th 30th	West + E. Montana and E. Wyoming
		20th PM 2%		20th	
9-16-68	2%	20th PM	10th 2nd PM	20th	East-South Partial Central

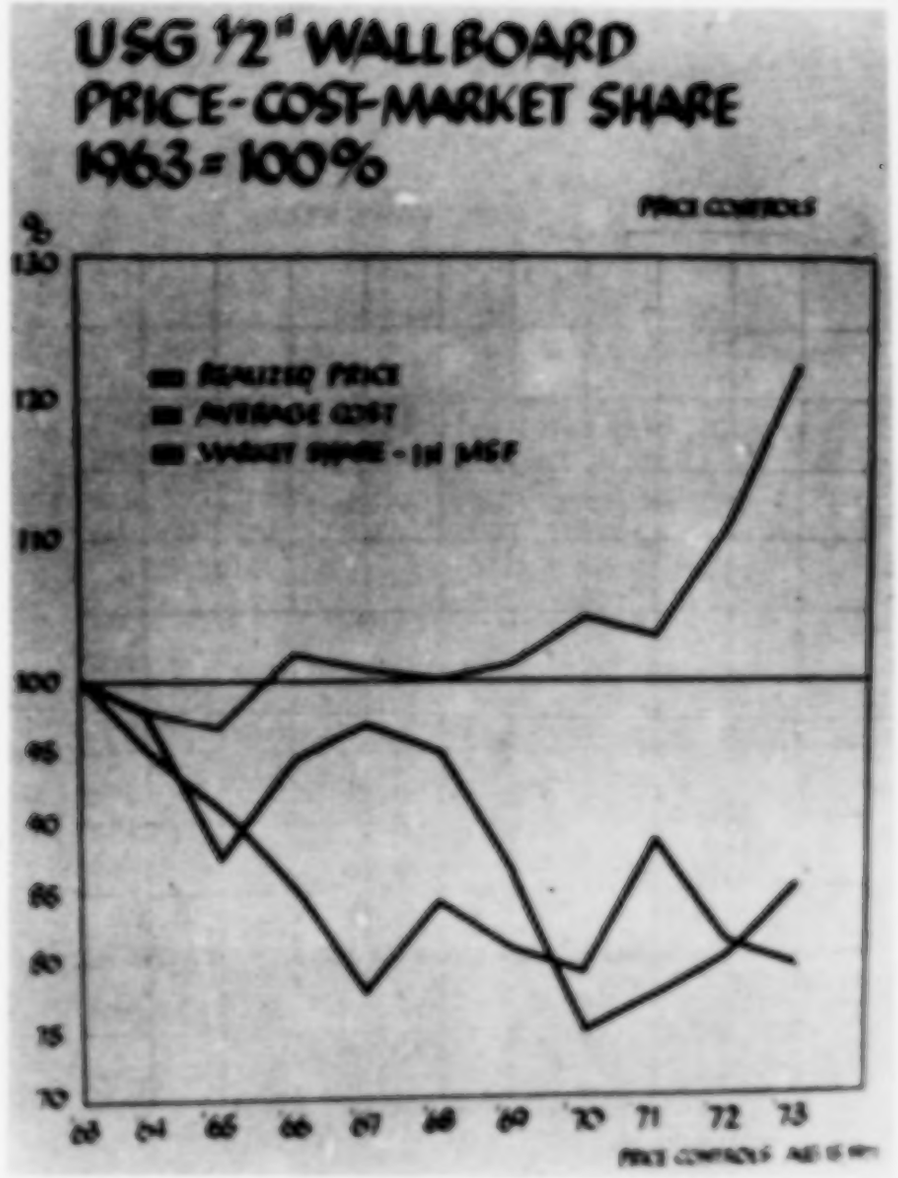
DX(USG)-605

2740

Effective Date	Maximum Discount	Discount Due Date	Net Due Date	Cutoff Date	Geographic Area (Divisions)
7-1-70	2%	20th PM	10th 2nd PM	20th	Idaho, Montana, Utah, Parts of Wyoming and Nevada
9-21-70	2%	20th PM	10th 2nd PM	20th	Balance - West
9-21-70 Rev.	5%	15-29 days 5%	10th 2nd PM	15th 30th	Balance - West
		20th PM 2%		20th	
12-21-70	2%	20th PM	10th 2nd PM	20th	Balance - West
6-26-72 (Rev.)	2%	10th PM	End PM	25th	USA
9-20-72	2%	20th PM	End PM	20th	USA

DX(USG)-605

2741


USG ½" WALLBOARD
PRICE-COST-MARKET SHARE
1963 = 100%
PRICE CONTROLS
%
130
120
110
100
95
90
85
80
75
65
66
67
68
69
70
71
72
73

DX(USG)-654A

DX (USG) 654A

USG
AVERAGE REALIZED PRICE

1/2" GYPSUM WALLBOARD
MSF

1963=100

Year	Average Price Per MSF	Index
1963	42.06	100
1964	41.01	98
1965	36.79	87
1966	39.00	93
1967	40.77	97
1968	40.03	95
1969	36.02	86
1970	31.29	74
1971	32.20	77
1972	33.72	80
1973	35.79	85

AS REPORTED TO FEDERAL BUREAU OF MINES ANNUALLY

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DX(USG)-654B

DX (USG) 654B

USG MARKET SHARE

1/2" GYPSUM WALLBOARD IN MSF

1963 - 1973

Year	(1) USG	(2) Index
1963	38.5	100
1964	36.4	95
1965	35.0	91
1966	32.9	85
1967	30.1	78
1968	32.2	84
1969	31.0	81
1970	30.5	79
1971	33.7	88
1972	31.2	81
1973	30.5	79

(1) Market Share Actual calculated from USG reports to Bureau of Mines against Industry total reported by Bureau of Mines.

(2) Index of Market Share % 1963 = 100%.

DX(USG)-654C

DX (USG) 654C

USG

AVERAGE PLANT COST

1/2" GYPSUM WALLBOARD

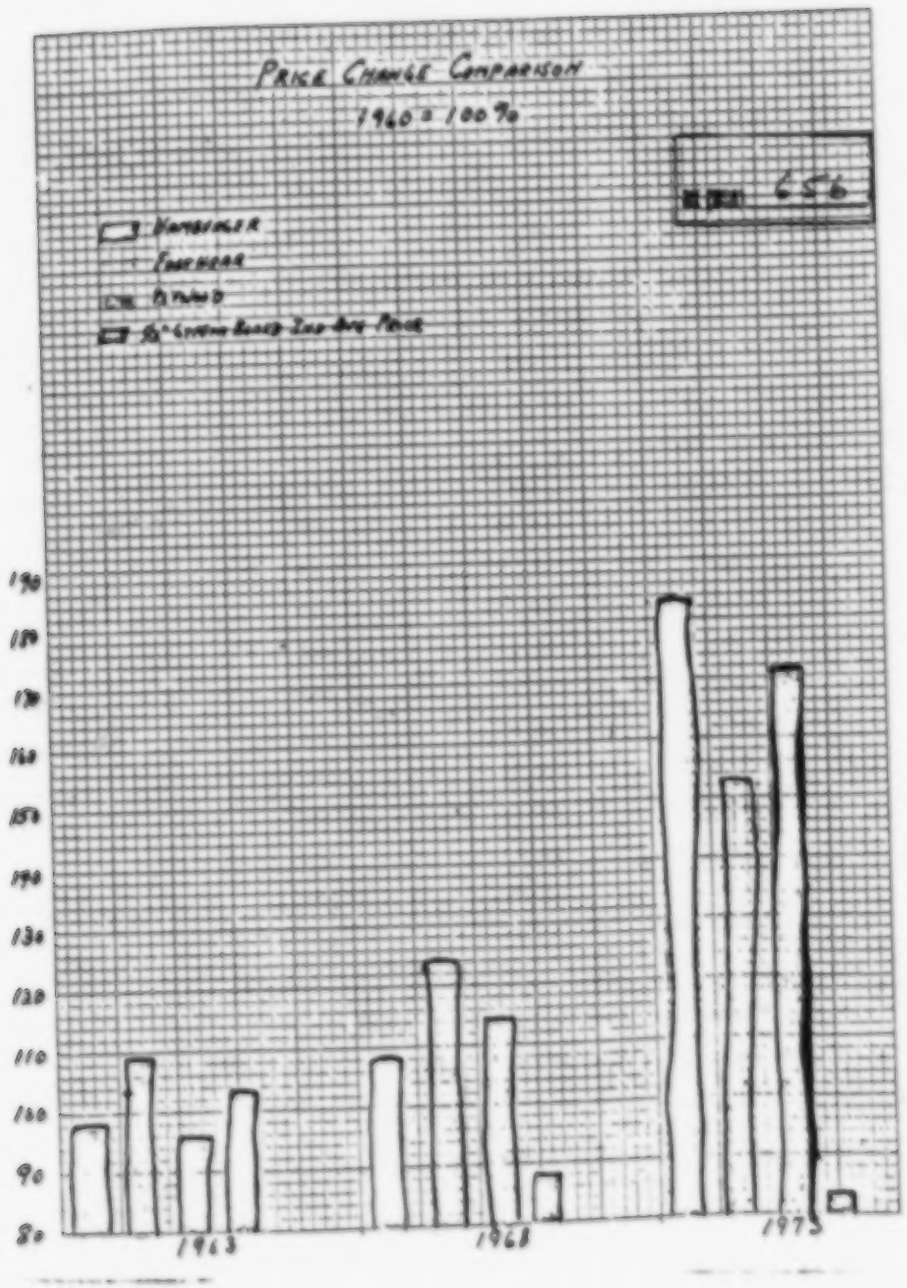
MSF

1963=100%

Year	Cost Per MSF	Index
1963	18.08	100
1964	17.79	98
1965	17.58	97
1966	18.35	102
1967	18.29	101
1968	18.09	100
1969	18.24	101
1970	18.81	104
1971	18.63	103
1972	19.96	111
1973	21.97	122

Per Commodity Results Statement - 1963 - 1969

Commodity Cost Comparison Statement - 1970 - 1973



MacLEISH, SPRAY, PRICE & UNDERWOOD
LAW OFFICES
CHICAGO 3

MX (EX) 660

January 26, 1962

Mr. C. H. Shaver
Chairman of the Board
United States Gypsum Company
300 West Adams Street
Chicago 6, Illinois

Dear Mr. Shaver:

I have revised and return herewith the memorandum regarding relationships with competitors.

I will keep a copy of this on my desk in case you want to talk about it further.

Yours very truly,

Charles H. Price

CHP:CM
Enclosure

Have read it
understand it
agree with it
will abide by it

January 26, 1962

MEMORANDUM REGARDING RELATIONSHIPS WITH COMPETITORS
(Prepared in Cooperation with
MacLeish, Spray, Price & Underwood)

Experiences of other companies in anti-trust actions indicate a need for reiteration of the Company's position with respect to our relationships with competitors.

This Company will not have, nor countenance, any agreements or understandings with any competitor or competitors regarding the prices at which, the terms, conditions and circumstances under which, or how, or where, or to whom, we will sell our products.

Furthermore, we will not even have any written or verbal communication with any competitor about future prices and selling policies. Even though communications with competitors with regard to future prices and selling policies are often not of an anti-trust significance, nevertheless, it will be our policy not to have such communications because illegal conspiracies to fix prices or to agree upon terms and conditions of sale or other selling policies are often established from inferences drawn from the conduct of competitors. By refusing to have any written or verbal communication on such subjects, we will avoid the danger of inferences being drawn of illegal conduct. If we are asked by a competitor about our future prices and selling policies, we will refuse to answer the inquiry or even discuss the

subject. What our Company may do in initiating changes in our prices and selling policies, or may do in the event competitors change their prices or selling policies, is not to be a matter of verbal or written communications with any competitor. Nor will we initiate any inquiry of any competitor regarding the future prices or selling policies of the competitor or even receive such information from a competitor.

This does not mean that the Company must operate in a vacuum or shun all contact with competitors. There are many occasions when correspondence or conversation with competitors is proper and helpful and entirely without anti-trust significance.

The Company belongs to a number of trade associations concerned primarily with promotion of industry products. We expect to continue in the work of these trade associations. But it should be no part of a trade association program to discuss the future prices and selling policies of this Company or of any competitor.

We have always insisted that the meetings and the work of any trade association to which we belong be conducted under the guidance of a qualified lawyer, and if we belong to any association that does not operate in that manner, or having operated in that manner ceases to do so, we should withdraw from the association.

In the normal course of our business we have many relationships with competitors. For example, we sell products to many competitors; we also buy products from many competitors; we have patent licenses and we have agreements regarding the exchange of mineral lands, easements and boundary lines. Correspondence and conversations in connection with such matters have no anti-trust significance, and we will, of course, continue such activities in the normal course of business.

There are occasions when the Company must try to determine the competitive situation in a market or with a customer. Such occasions usually arise when there is reason to believe that a competitor has a lower price or more favorable terms and conditions of sale and it is difficult to determine the facts either because of trade factors in the market or the particular customer will not reveal the situation or there is reason to believe that the trade factors or customers are not being frank in what they tell us. Under such circumstances, we are entitled to seek information any place we can get it, and it is proper to ask competitors what prices they have charged or are currently charging, or what terms and conditions of sale they have offered or are currently offering. The competitor may refuse to answer or may even give an evasive or incorrect answer, but we are entitled to ask the question and to seek whatever information the competitor is willing to give. We will also answer similar inquiries

from a competitor as to our prices and terms and conditions of sale in any market to the extent we feel it is prudent to do so. It is often advisable to answer such inquiries, because otherwise the competitor may be misinformed as to our prices and policies and answering the inquiry may avoid consequences unfavorable to the Company.

It is inevitable that as our employees go about the country in the normal course of their business they will meet competitors, and often the conversation will turn to the business in which both are engaged. There is no legal reason why we should try to avoid such normal contacts or normal business talk which may produce information beneficial to the Company. But it is important to avoid any conversation with competitors about our or their future prices and selling policies, because such conversations--even though there is no attempt to or thought of reaching any agreement or understanding--are often looked upon with suspicion, and our policy is to avoid the subject entirely.

DEF 695

TO: 150-A - G. J. Morgan

FROM: 141 - A. D. Stephan

SUBJECT:

October 18, 1960

Jim Price came in for a lunch conference on October 17. Attached is a letter he left for you and also a number of prints which he wanted you to see.

Our discussion brought out the following points:

- He asserts that he is spearheading the practical development of the Inner Core Low Cost Housing. He states that it costs a tremendous amount of money to get projects started in each city, involving engineering, product development, marketing research and organization of effort. In the case of Chicago, he says his expenditure in these areas amounts to $500,000. Jim Phillips and Jim Downs support the fact that Price is doing this kind of work and volunteer that he is the only one able to effectively meet the requirements.

- A further point made by Jim Price is that this inner core low cost housing is a distinctly different business from regular construction, requiring special support by major suppliers to help him exploit this market to gain substantial new volume for all concerned.

- He has solicited assistance from the following five suppliers:
  General Electric
  Georgia-Pacific
  Alcoa
  Owens-Corning
  U. S. Gypsum

  These are his five prime suppliers and he has also included some minor suppliers; Congoleum Nairn, Westclox, a window company and two or three other subsidiary suppliers.

He says these suppliers all indicate a willingness to cooperate provided the assistance can be justified legally and marketwise.

- He has formed a new subsidiary, The Low Income Housing Research and Development Corporation which he claims meets not only legal and market requirements but has been checked out with HUD and other Governmental agencies as well. He has employed Milt Seamar, a Washington,D.C. attorney as legal counsel, as Seamar allegedly is expert on this type of work.

- He states that our valuation per unit is $500,* General Electric $498, Alcoa $200, which can, however, be increased to larger amounts by substituting Alcoa shingles in place of Kaiser. Georgia-Pacific furnishes the redwood and the plywood, and apparently the valuation is some place in the $500 category. In answer to my question, he replied affirmatively that all major suppliers have been solicited for $250,000. This is contrary to outside rumors.

- It is his plan to have all funds segregated under this new subsidiary, with an audited accounting of the disbursements of funds provided quarterly.

- It was Price's specific request that I secure from you your willingness to support him provided legal requirements and marketing considerations were fulfilled, after which he felt there would be no problem in working out the mechanics. If, however, at this point you were unwilling to support him, he then requests an opportunity to meet with you for a further discussion.

- I would judge that the specific amount solicited from each supplier is subject to some scaling down as the total amount he is reaching for is approximately $1,500,000 for 1968 and the same for 1969.

My recommendation is to give this proposal further consideration and to try to provide support consistent with legal and marketing safeguards and value received.

*Current U.S.G. valuation at the mill on Blendtex $603.

RDS/bns
Att.

NATIONAL HOMES CORPORATION

LAFAYETTE, INDIANA

October 15, 1968

Mr. Graham Morgan, President
U. S. Gypsum Co.
101 South Wacker Drive
Chicago, Illinois 60606

Dear Graham:

I am writing to enlist your support, and that of your firm, in a new effort which we are undertaking to aid in the volume construction of low-cost housing generally by the homebuilding industry.

This is one of the areas of greatest need presently facing our Nation. The President has set a goal of construction of 26 million new homes and apartments over the next ten years, with 6 million to receive Federal assistance for occupancy by low-and moderate-income families. This is a job which simply cannot be done under present technologies and efforts. Particularly, it will need innovation in materials and construction techniques and further understanding as to what types of housing are really required and can work best in making better tenants and homeowners, and better citizens.

Further, the job will need the combined efforts of all levels of government and of the housing construction industry. As the President has said in his Message on the Crisis of the Cities, the job will require the "commitment of . . . the genius of American business to bring to homebuilding its skill and resources and the methods of modern technology so that houses can be built faster, less expensively and more efficiently than ever before".

National Homes has formed a new subsidiary, the Low Income Housing Research and Development Corporation. The Corporation will make use of the abilities and techniques which National Homes itself already has in this area and also enlist the participation and support of other home manufacturers, material suppliers such as yourself, and other elements of the housing industry.

It will undertake investigations both of the social and physical problems involved in low- and moderate-income housing. We need, for example, to develop durable, low maintenance materials which are at the same time so

NATIONAL HOMES — AMERICA'S LARGEST MANUFACTURER OF QUALITY HOMES

attractive as to encourage better maintenance by the occupants -- in contrast to the "institutional" materials approach so often used today. There are particularly exciting opportunities for the use of gypsum products in this connection. We need also to develop better ways of applying to apartment and other multi-story buildings the factory fabrication techniques which National Homes has itself already proved so effective in reducing costs in detached and townhouse homes.

The Corporation will also undertake research in determining for specific localities how their building codes and subdivision regulations can be best modified to affect savings in home construction and maintenance. This will help such localities to apply, and benefit from, the more general investigations and studies recently undertaken by the Douglas Commission on Urban Problems.

The Corporation will be eligible to participate in federally-sponsored research programs. We hope, for example, to undertake activities under the program established by Section 1010 of the Demonstration Cities and Metropolitan Development Act of 1966. This authorized federal funds for research and studies "to test and demonstrate the applicability to housing construction, rehabilitation, and maintenance, and urban development activities, of advances in technology relating to (1) design concepts, (2) construction and rehabilitation methods, (3) manufacturing processes, (4) materials and products, and (5) building components." We believe the Corporation has a special contribution to make in this field, because of our private-enterprise, cost-conscious orientation.

I am writing you to ask you, and your firm, to participate and invest in this effort. You have always been keenly aware of the need for your firm to encourage innovation in the use of your own lines of materials, so far as home construction and renovation was concerned. I am asking you now, through the Low Income Housing Research and Development Corporation, to provide support for low income housing research and development on a broader basis. This, I am convinced, will produce a real benefit to your firm through a higher volume of housing construction.

To meet these objectives that you and I have in common, I would like to suggest that you invest $250,000 for 1968 and $350,000 for 1969.

Would you please get in touch with me at your earliest convenience to let me know whether you are interested in participating with us in this effort and to discuss what is needed to be done?

Sincerely yours

James R. Price
Chairman of the Board and
Chief Executive Officer

JRP/po

Jim Stephan

Need to get Bill Chand before I left.
Will talk with Tuesday.

GW.

M (67) 696

TO: 131-5 - A. S. Watt

FROM: 141 - R. D. Stephan

October 25, 1968

SUBJECT:

Attached are copies of several letters from Jim Price which Mr. Morgan requested I handle with him. My report is the result of the initial handling.

As we discussed, believe you would wish to participate in any further discussions with Jim Price. Will contact him for a mutually acceptable date.

RDS/tms Would you call G.P. re status of this?
Att.- project with them?

UNITED STATES GYPSUM COMPANY

MR. W.K. UNVERZAGT - 29

NOVEMBER 26, 1968 MEETING

Meeting to begin at 9:30 AM

ATTENDEES

Robert (Bob) Steffen - VP, National Accounts - U.S. Gypsum (Chicago)

Andrew (Andy) Watt - Sr. VP, Total Urban Redevelopment Corp. (Chicago)

Shelby Trappey - National Sales Mgr, Hotpoint, G.E. (Louisville)

X Walter Schalick, Jr. - Legal Counsel - G.E. Louisville

Edward (Eddie) J. Detgen - VP, National Affairs, Owens-Corning (Washington)

X Thurman W. Bratz - Asst. Treas, Owens-Corning (Toledo)

Ted Rock - VP, Construction Materials, Owens-Corning

X William Hunt - Georgia Pacific

Lunch reservations have been set up for Duquesne Club - Room 524
12:30 PM

Attending for Alcoa:

F.J. Close

C. Sando

X W.K. Unverzagt

J.H. Vano, Jr.

cc: Mr. J. H. Anderson - 6171
Mr. S. E. Martin - 6167

TO: Mr. G. J. Norton - 6150

FROM: Mr. R. E. Schneider - 6130

SUBJECT: PILOT ROCK - GEORGIA-PACIFIC CFEP CONTRACT

December 13, 197[illegible]

698

Per Mr. R. V. Wright of our Attorneys, the two stipulations for us to "endeavor" to reach a new escalation method are as valid today as ever, and offer no reason to open the contract.

PRICE

We are presently paying the following for chips:

SUPPLIER	F.O.B. PILOT ROCK	FREIGHT	F.O.B. SUPPLIER
Georgia-Pacific Corp.	$ 16.06	---	$ 16.06
Harris Pine Mills Pendleton, Oregon	$ 15.78	$ 2.05	$ 13.73
Hudspeth * John Day, Oregon	$ 20.00	$6.50 - $7.00 Estimate	$ 13 - $ 13.50

* New supplier due to start in April, 1972.

It is obvious we continue to pay Georgia-Pacific a premium F.O.B. price.

SUPPLY

The demand for chips appears to be weakening, but not enough for us to feel confident. The reasons are:

1) Rock chips.

2) Smaller logs. These logs result in a higher percent of chips for the lumber companies.

3) Ecological problems. Burning is being attacked and stopped in the Northwest, and waste wood must be sold or disposed of in other ways.

It still appears our contract is valid until December 31, 1976. Should Georgia-Pacific attempt to cancel, we would provably resist.

The details in C. L. Walton's April 25, 1973 memo to you are still largely the case.

RES/pag

UNITED STATES GYPSUM COMPANY

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699

December 28, 1961

Mr. Marvin S. Greenwood
Vice President
The Celotex Corporation
120 South LaSalle Street
Chicago 3, Illinois

Dear Mr. Greenwood:

Pursuant to our discussions, we have reviewed your request to consider an additional discount on wool in those areas where discounts to the trade are in excess of 6% below our published prices.

As you are aware, the present realized prices on mineral wool products are such that there is little or no profit in the manufacture of them at most of our plants. However, in recognition of the fact that discounts are being extended beyond 6% in some areas, we will extend to you an additional 1% discount on felted mineral wool products shipped on and after December 28, 1961, into the area east of Montana, Wyoming, Colorado and New Mexico, with the exception of the states of Florida, Delaware, Vermont, New Hampshire, Massachusetts and Maine.

In the aforementioned six states we will continue to split the 6% discount available to the trade below our current published prices on felted products.

Sincerely yours,

UNITED STATES GYPSUM COMPANY

James R. Addington

3 cc PM

TO: A. J. Watt #131 May 17, 1963

FROM: Graham J. Morgan

SUBJECT: Celotex Wool Contract

In accordance with our discussion, please handle this matter with Mr. Greenwood at your earliest convenience.

GJM.

UNITED STATES GYPSUM COMPANY

1. He wants at least 15%
50% like ours

2. He wants a written assurance
That we would have a glass stock of
Comparable quality on the market by
Approximately mid 1964

3 He wants our reduction of this ~~last~~ cost
~~last~~ of glass wool products

4. Price of this wool Jayfiber

5. If we could out of all contract Jan 1.

1. Check contract,

2. Price both of wool and Thermo
Comb on glass?
Anticipated cost

Ins (Ins) 702

7 di
Celotex

June 27, 1963

Mr. Marvin Greenwood
Celotex Corporation
120 South LaSalle Street
Chicago, Illinois

Dear Marvin:

Your recent decision to continue as distributor of our insulating wool products is certainly good news. Graham Morgan and Jim Addington join with me in expressing our sincere appreciation.

Best regards,

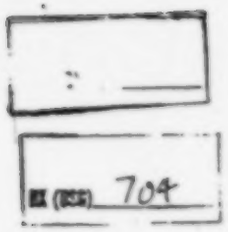
UNITED STATES GYPSUM COMPANY

A. J. Watt
Vice President - Marketing

AJW:pjq

CC: Mr. Henry V. Collins
President, Celotex

BEST COPY AVAILABLE



November 27, 1963

Mr. Marvin Greenwood
Vice President
Director of Merchandising
The Celotex Corporation
120 South LaSalle Street
Chicago 3, Illinois

Dear Marvin:

In accordance with our conversation of this afternoon, I am attaching two copies of the Amendatory Agreement which we discussed, properly signed and witnessed.

Very truly yours,

UNITED STATES GYPSUM COMPANY

A. J. Watt
Vice President - Marketing

AJW:jdq
Enclosures (2)

AMENDATORY AGREEMENT

Amendment Number 2

This Agreement, made this _____ day of November, 1963, by and between United States Gypsum Company, an Illinois corporation having its principal office and place of business at Chicago, Illinois (hereinafter called "Seller"), and The Celotex Corporation, a Delaware corporation, having its principal place of business at Chicago, Illinois (hereinafter called "Buyer"),

WITNESSETH:

Whereas, the parties hereto entered into that certain Agreement dated June 2, 1960, relating to the sale and purchase of mineral wool and mineral wool products, and

Whereas, said Agreement was amended by an Amendatory Agreement entitled Amendment Number 1, dated May 11, 1962, and was further amended by letter agreement dated June 14, 1963, and

Whereas, the parties now desire to further amend said Agreement in the manner hereinafter provided.

Now, Therefore, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

1. That Paragraph 15 of said Agreement, as amended, shall be deleted in its entirety, and the following substituted therefor:

> "(15) Term. This Agreement shall be in force and effect for a period of five (5) years from the date hereof and shall continue thereafter from year to year, provided, however, that either Buyer or Seller may terminate this Agreement effective at any time on or after June 2, 1964, by giving the other party at least ninety (90) days' written notice."

2. Except as herein specifically amended, the aforesaid Agreement between the parties hereto dated June 2, 1960, as previously amended, shall remain in full force and effect according to its terms.

In Witness Whereof, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Attest:

_____
Secretary

United States Gypsum Company

By _____
Vice President

Attest:

_____
Secretary

The Celotex Corporation

By _____
Vice President

EX (1958) 717
INACTIVE

AMENDATORY AGREEMENT

THIS AMENDATORY AGREEMENT made and entered into in duplicate this 31st day of August, 1965, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation (hereinafter called the "Seller"), and BARRETT DIVISION, ALLIED CHEMICAL CORPORATION, a New York corporation (hereinafter called the "Buyer"),

WITNESSETH: THAT

WHEREAS, the parties hereto entered into that certain agreement dated June 1, 1963, and amendment thereto dated October 5, 1964, under the terms of which Seller agreed to sell to Buyer, and Buyer agreed to purchase, specified quantities of Gypsum Board Paper as therein defined during the period of said agreement; and

WHEREAS, the parties desire to further amend the said agreement in the manner hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Paragraph numbered 2 of the aforesaid agreement between the parties hereto dated June 1, 1963, as amended October 5, 1964, is hereby further amended to read as follows:

"2. Term of Agreement. The term of this agreement shall begin on June 1, 1963 and shall continue in effect until the close of business May 31, 1966, and thereafter until terminated upon not less than Ninety (90) days' prior written notice by either party to the other."

USG/4 1429

2. Except as herein amended the aforesaid agreement, as amended October 5, 1964, between the parties hereto is in all respects ratified, approved and confirmed.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereunto affixed and this instrument to be executed by their proper officers thereunto duly authorized the day and year first above written.

UNITED STATES GYPSUM COMPANY

By R C Hamilton

ATTEST:

Asst Secretary

BARRETT DIVISION,
ALLIED CHEMICAL CORPORATION

By E. J. Delany
E. J. Clary
Manager of Purchases

ATTEST:

Secretary

USG/4 1430

DX(USG)-759

DX(USG) 759

RETYPED FOR LEGIBILITY

December 19, 1961

Mr. C. H. Shaver
Chairman of the Board
United States Gypsum Company
300 West Adams Street
Chicago 6, Illinois

Dear Mr. Shaver:

I am enclosing herewith a memorandum regarding contacts with competitors along the lines we discussed the other day. I have drawn this, not as any final thought, but rather for discussion, and I think we should discuss not only its content but the advisability of circulating it among the employees.

Yours very truly,

CHP:CH
Enclosure

CC: Mr. Graham J. Morgan

DX(USG) 759

December 19, 1961

Mr. C. H. Shaver
Chairman of the Board
United States Gypsum Company
300 West Adams Street
Chicago 6, Illinois

Dear Mr. Shaver:

I am enclosing herewith a memorandum regarding contacts with competitors along the lines we discussed the other day. I have drawn this, not as any final thought, but rather for discussion, and I think we should discuss not only its content but the advisability of circulating it among the employees.

Yours very truly,

CHP:CH
Enclosure

CC: Mr. Graham J. Morgan

December 19, 1961

MEMORANDUM REGARDING CONTACT WITH COMPETITORS

Recent experiences of other companies in anti-trust actions indicate the need for reiteration of the Company's position with respect to conversations and correspondence with competitors.

This Company will not countenance any agreements or understandings with competitors with regard to prices, terms and conditions of sale, division of territories or allocation of customers, or any other agreements or understandings that might have the effect of lessening competition. Neither the officers nor the board of directors expect any employee of the Company to place himself or the Company in a position where our actions can even be challenged under the anti-trust laws -- the consequences of doing so can be expected to be drastic.

There are occasions when it is perfectly proper to discuss common business problems with competitors. But even such matters must be handled under such circumstances that illegal conduct cannot be inferred from them.

The question whether or not competitors have arrived at agreements or understandings which may have the effect of restraining competition is decided by courts and

juries from all the circumstances -- not simply from what is recorded in writing, or what a man confesses he said to a competitor. Even with respect to matters which are the proper subject of discussion or correspondence with competitors, our employees must be alert to the fact that very often the circumstances under which such discussions or correspondence take place may result in inferences being drawn that are contrary to the truth.

The following admonitions should be observed:

(a) Association Meetings.

This Company belongs to a number of trade associations concerned with the promotion of the industry products. There should be no discussions of prices, terms or conditions of sale, division of business, or any subject agreement on which might restrain competitive freedom at any association meeting or in connection with any association work. If such subjects are brought up at any association meetings, our representatives should leave and state the reason for their leaving.

And there must be no private conversations on such subjects before, during or after association meetings.

We have always insisted that the meetings and work of any association to which we belong be conducted under the guidance of legal counsel, and if we belong to any association that does not operate in that manner, or having operated in that manner ceases to do so, the Company

will withdraw from that association.

(b) Conversations and Correspondence in Connection with Buying and Selling Products.

In our normal business we sell products to many competitors, and we also buy products from many competitors. The anti-trust laws do not prevent such sales and purchases, and normal business conversations and correspondence with regard to them. As long as we conduct ourselves solely as purchasers or sellers our conduct should never be questioned. However, if anyone in the Company has a telephone conversation with a competitor regarding the purchase or sale of products, it is prudent to see that some memorandum is made of the conversation, even thought it is only placing on the order a statement that the order was placed by telephone. Granted it may not be possible to do so in all cases, employees should try to make a written record of the subject matter of the conversation whether by telephone or in person.

(c) Calls From or To Competitors Answering Inquiries About Past, Present and Policies.

There are occasions when it is perfectly legitimate to ask a competitor what he has charged for his products or what his selling policy is, or to answer a similar question from a competitor. Not infrequently we have reason to believe that a customer is not telling the truth about the competitor's prices and policies, and we have reason to believe that our competitors encounter the same situation. The law does not

require that we do business in a vacuum. We have the right to obtain information about competitive prices and policies wherever we can and whenever we have good business reasons to do so.

If we have reason to be suspicious of a customer's claims with regard to lower competitive prices and policies and to be uncertain whether or not we have the right to meet lower prices or more favorable policies under the Robinson-Patman Act, it is entirely proper to ask a competitor regarding his prices and policies, and it is proper to answer similar inquiries of competitors. And whenever we have lowered our price or granted more favorable terms or conditions of sale to meet competition, it is entirely proper to ask the competitor if his lower price or more favorable terms or conditions are still in effect. The competitor may refuse to answer or even give an evasive or incorrect answer--but we do not violate the law in asking and receiving a reply.

But care must be taken that any such inquiries are legitimate, because a history of such inquiries may be claimed to be for the purpose of policing a price or policy agreement. Therefore, any such inquiries made or received should be confined to instances where there is legitimate business reason for asking the question and receiving the answer or in answering similar questions by competitors.

Except on such occasions there should be no conversations or correspondence with competitors about their past prices or policies.

(d) Communications or Correspondence About Future Prices or Policies.

Employees may not discuss with any competitor any future change in our prices or policies. Furthermore, we will not discuss with competitors, on the telephone or otherwise, competitors future prices or policies. If anyone is called by a competitor asking about future prices and policies, the call should be refused and the competitor told that you will not answer such questions, let alone discuss the subject. What our Company will do in the event competitors change their prices or policies and what this Company may do in changing its own prices and policies is not to be a matter of verbal or written communication with any competitor at any time. We will continue to make our decisions independently of any discussions or conversations with competitors.

(e) Other Contacts with Competitors.

Aside from the instances of competitive contact mentioned above, there should be very little occasion to see competitors or correspond with them. In some industries it has apparently become the practice when in the city of the home office of a competitor to drop in and visit with them.

We disapprove the practice unless the visit is in connection with business that we have with that competitor or that competitor has with us. In disapproving such visits where no specific business purpose is evident, we are not intending to discount the fact that many such visits are productive of a beneficial exchange of information, particularly with regard to the activity of competitive products and economic and business conditions, but we are also conscious of the fact that such visits can be looked upon with high suspicion, particularly in industries such as ours where the products are of similar grade and quality and prices and selling practices tend to be somewhat uniform. Therefore, we should make known to our competitors that we are glad to have them visit us when in Chicago, but we would prefer that they confine their visits to occasions when they have business with our Company and that owing to circumstances that are unfortunate, we do not welcome visits simply for the purpose of discussing business problems generally. Also, our employees will not visit competitors at their home offices except when there is some business to be done, and then the visits will be confined to the business at hand.

250-346 O - 77 - vol. 5 - 25

Not discussed your comments please
C.C.T.

EXHIBIT 774

November 29, 1965

NOTES

Mr. Watt has sent down to me the attached correspondence in regards to supplying Celotex with glass fiber home insulation. The following would be suggested information to give Mr. Watt for his suggested reply to them for Mr. Morgan.

It is our plan to be ready to go commercial on the Wabash batt line on December 20, 1965. This would be on a limited one shift basis, and would produce 150-200 MSF/week. This product would be the characteristic tan color with paper on two sides. During the week of January 17, 1966, and barring any unforeseen difficulties, we would expect to go to open faced batts with phenolic binder and colored batts. Concurrent with this, we would plan a two shift operation producing 350-500 MSF/week.

It would be our suggestion, that possibly during the week of January 24th, we could give Celotex some trial quantities, and that we should consider making the glass fiber insulation available to them around February 20, 1966. The delay would allow us to assure ourselves that we could supply them with a quality batt.

The December 20th commercial start-up is dependent upon receiving release from the Patent Department to go to the market place. I have been unable to reach John Wise to receive from him current information, but I am attempting to do so. In any event, it would be our recommendation that a meeting be planned for Tuesday of next week, December 7th, to bring everyone up to date with our current situation and our plan for going commercial.

The ability to supply Celotex from other plants becomes pure conjecture, since we are in the process now of developing the authority requests, and we must still verify expected results at Wabash. Any dates which I would give you for conversion at So. Plainfield, Corsicana, and Torrance would be most nebulous.

Attachment

CCT:jk

CWD
E.K.

Mr Watt #1,331.
Pls. discuss with
Thiel & Brickert & give
the suggested reply.
C.C.T. 11/24

813

223-7641

THE CELOTEX CORPORATION

CELOTEX

120 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

November 26, 1965

Mr. Graham Morgan, President
U. S. Gypsum Company
101 S. Wacker Drive
Chicago 6, Illinois

Dear Graham:

We have had no authoritative information from your company about the date on which you would be able to provide us with a glass fiber home insulation product. We were led to believe on numerous past occasions that a product would be available many months ago, but we have had no word concerning the probable release date for some time.

We are in the process of evaluating our position in the distribution of a product of this type and would like to know when we may expect release of a glass fiber product from your company and the location of the plants from which it would be made available.

Sincerely,

Martin Greenwood
Vice President
Director of Merchandising

MG/ld

TO:

FROM: Graham J. Morgan

SUBJECT: Management Reorganization

EXHIBIT 776

At the Board of Directors Meeting, held on November 10th, approval was given for a reorganization of the management structure of the Company.

Briefly, the plan involves establishing five construction products divisions, an industrial products division, and a paint division, supported by appropriate corporate staff groups at our headquarters office. Each of these divisions will be under the direction of a general manager and will operate as a profit center.

The program has been designed so that no management changes will be made in our district sales organization and only one change, a promotion, will be made at the works manager level, as continuity of these responsibilities and functions is most important.

To assist us in the reorganization study, a well-known firm of management consultants was employed. With their help, an analysis was made of each position, duties and responsibilities have been established, and a new salary administration program will be initiated.

We recognize that with this announcement there may be concern and rumors will be prevalent. Since communications and an orderly implementation of the entire program will take time, I urge that you be patient and objective until all details [illegible] appropriate information can be disseminated, we will do so. It is essential that each of us continue with our present responsibility energetically and enthusiastically. A letdown by anyone can adversely affect Company results and implementation of the plan.

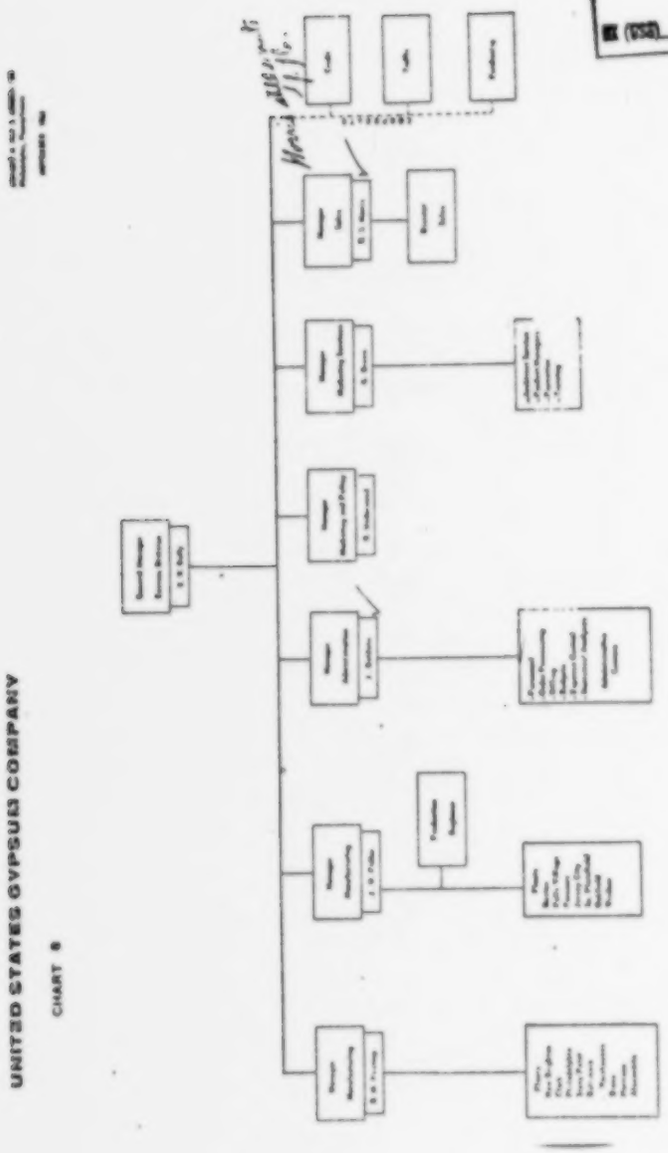
The program of decentralization and establishment of divisions will open new opportunities for many of our people, and your individual performance during this period of transition will be an important measure of your personal performance.

Distribution: Lines 1, 2, 3, 4 and 5, U.S.A., Canada, Jamaica, and Mexico.

UNITED STATES GYPSUM COMPANY

BEST COPY AVAILABLE

(USG) 777



UNITED STATES GYPSUM COMPANY

CHART 6

(USG) 778

TO:

December 1, 1965

FROM: Graham J. Morgan

SUBJECT: Management Reorganization

With reference to my letter of November 29, 1965, regarding the Company management reorganization plan, I am pleased to announce that the following appointments will be made effective on or about January 15, 1966.

J. R. Anderberg	- General Manager, Western Construction Products Division
E. L. Beach	- General Manager, Southern Construction Products Division
E. W. Duffy	- Vice President and General Manager, Central Construction Products Division
A. R. Rump	- General Manager, Eastern Construction Products Division
W. R. Veidman	- General Manager, Industrial Products Division
J. J. McVay	- General Manager, Paint Division

These managers will continue their present responsibilities until the reorganization is implemented.

Graham J. Morgan

Distribution: Lists 1, 2, 3, 4 and 5, U.S.A., Jamaica, and Mexico.

UNITED STATES GYPSUM COMPANY

EX (R.D.) 779

December 3, 1965

Mr. Marvin Greenwood
Vice President and Director of Marketing
The Celotex Corporation
1500 North Florida Avenue
Tampa, Florida 33602

Dear Marvin:

Your concern regarding the availability of glass fiber insulation is understandable and is one which we share with you. Both Andy Watt and Jim Addington have been quite active in pursuing the matter in your behalf.

Our operating people tell us that most of the unanticipated problems which have delayed release of the product at Wabash appear to be under control. We expect to be able to make limited quantities available to you late in January with full release in the Urban plant area by the end of February.

As you tells me that you have asked for some lead time to prepare a proper announcement to your sales organization and trade. We plans to contact you to provide the necessary information and scheduling's release plans of our ten companies as soon as all the necessary facts and details are finalized. We will keep you posted.

The release dates at the balance of our plants have not been definitely established as yet since we naturally want to verify results at Wabash before equipment to convert the other plants is ordered. Engineering work, however, has been completed for a number of additional plants.

We recognize that this conversion has taken much longer than anticipated and sincerely appreciate the loyal support you have given us during the development. We believe that the product, multiple plant locations, and other factors, will prove to be a decided advantage to our companies in the future.

Best personal regards.

Sincerely yours,

cc: A. J. Watt #131 Jr. Jas J. Thorp

Mr Pender

CELOTEX

THE CELOTEX CORPORATION

General Offices
1500 N. Dale Mabry Hwy.
Tampa, Florida 33607

December 19, 1966

REGISTERED MAIL
RETURN RECEIPT REQUESTED

EX (R.D.) 783

United States Gypsum Company
101 South Wacker
Chicago, Illinois

Gentlemen:

Please be advised that The Celotex Corporation hereby terminates the Agreement between us of June 1, 1960, as amended May 11, 1962 and November 29, 1963, such termination to become effective on April 1, 1967.

Very truly yours,

Marvin Greenwood

Marvin Greenwood
Senior Vice President
Marketing

RT:hl

Have Andy

Ex DA (undr) 792

NAHB RESEARCH FOUNDATION, INC.
A Wholly Owned Subsidiary of the National Association of Home Builders

OFFICE AND
RESEARCH LABORATORY
627 SOUTHLAWN LANE

MAILING ADDRESS
P.O. BOX 1627
ROCKVILLE, MARYLAND 20850
(301) 762-4200

November 26, 1974

Mr. Andrew Watt
United States Gypsum Company
101 South Wacker Drive
Chicago, Illinois 60606

Dear Andy:

There is enclosed, the booklet on Research House VII, which is the one I thought you referred to. The program was instigated by Larry Blackmon when he was President of NAHB. Will Stacy tells me that in fact, U. S. Gypsum was of considerable help in terms of the method of finishing the pockmarked inside concrete panel surfaces of these homes with a U. S. Gypsum product.

In talking with Will Stacy, he reminded me that U. S. Gypsum was of considerable help to the NAHB and the Foundation in their work on the Research House VI endeavor. A copy of that report is also enclosed. Mr. Stacy recalls that work on this house began in 1964, even though it was not finished until 1966. Neither he nor I can recall any reference to this house as being a "Discovery House" but there was such a parade of products in the house that Larry Blackmon and others may have used that term early in the design effort.

On Page 78, there is a discussion of the U. S. Gypsum radiant heating panels and on Pages 82 and 83, there is additional discussion about the U. S. Gypsum interior wall panel system used in that house and the U. S. Gypsum system for sound-proofing the walls and floors.

In any event, Mr. Stacy, who was our man in immediate charge of research house work, assures me that U. S. Gypsum on many occasions, was very helpful to NAHB and the Foundation in a number of research house endeavors.

While memory concerning specific details ten years old certainly tends to fade, one does not forget general impressions, general attitudes or major contributions. For the nearly twenty years that I have been associated with NAHB and the NAHB Research Foundation, Inc., I can never recall anything except the most helpful and cooperative response from U. S. Gypsum and yourself to any request we made for information, assistance and even the contribution of materials in the case of research houses. It was general knowledge amongst the professional staff of NAHB in the mid-1960's and before, that you could always count on U. S. Gypsum and men like

yourself, Graham Morgan and others, to help with any legitimate industry problem. Further, in my work with manufacturers serving the housing industry over a period of many years, I can say without question that all of the general employees of U. S. Gypsum as well as the top management personnel with whom I had contact, were absolutely top notch in responding to requests for information, assistance or help with industry problems. In my experience, the attitude and performance of the U. S. Gypsum people ranks U. S. Gypsum in the top three or four companies in the nation from point of willingness to serve and assist the home building industry.

As far as I am concerned, the epitome of that situation is represented by your own response to my inquiry about the work you and U. S. Gypsum had performed for lumber dealers in developing business management guidelines for them.

You probably don't even remember the circumstance, but I do. We were both attending one of Mr. Prentice's House and Home round tables in New York, and at lunch I asked about the business management series of reports U. S. Gypsum had prepared for lumber dealers. The effort seemed to be so outstanding that I asked you if U. S. Gypsum would be willing to consider a somewhat similar effort for home builders (At that time NAHB had no organized business management program but we all recognized that one was needed). You must have done a fine sales job because, in fact, the highly successful "Blueprint for Profit" educational series was produced by U. S. Gypsum for the home building industry and the booklets, lectures, slides and movies were shown literally thousands of times to home builder groups.

Again, let me say, in my mind this is representative of the kind of effort that you and U. S. Gypsum did time after time to be helpful to the homebuilding industry and their customers, the people of this nation.

Sincerely yours

Ralph J. Johnson
Staff Vice President

Encls.

RJJ:ll

THE CELOTEX CORPORATION

CELOTEX

GENERAL OFFICES
120 SOUTH LA SALLE STREET
CHICAGO 3, ILL.

August 13, 1964

AM (PSE) 793

United States Gypsum Company
101 So. Wacker Drive
Chicago, Illinois 60606

Re: Mineral Wool License, Dated July 9, 1954, Amended May 25, 1964

Gentlemen:

Please be advised that pursuant to an Agreement of Merger entered into by and between the undersigned and Jim Walter Corporation, a Florida corporation, the undersigned has created a wholly-owned subsidiary "The Celotex Company," A Delaware corporation. If the merger proposal is affirmed by the required vote of the stockholders of the two companies and becomes effective in accordance with the terms of the Agreement, then said subsidiary will change its name so as to be the same name as that of the undersigned. Please be further advised that prior to said merger, all of the assets of the undersigned will be transferred to such subsidiary and such subsidiary will assume all of the undersigned's obligations including those under the above agreement.

In view of the foregoing, your consent and agreement to the assignment of the rights and duties of the undersigned under the above-mentioned agreement to its wholly-owned subsidiary effective as of the date of the transfer of all of its assets by the undersigned to such subsidiary (which date is contemplated to be August 31, 1964), is requested.

If you consent to such assignment, please so indicate in the space provided below, returning the signed duplicate copy of this letter to the undersigned.

Very truly yours,

THE CELOTEX CORPORATION

/ Richard Thompson

Vice President

We hereby consent to the above requested assignment to be effective upon the transfer of all of your assets to your wholly-owned subsidiary.

UNITED STATES GYPSUM COMPANY

By [signature] 9.2.64

Title President

December 22, 1955

Mr. O. S. Mansell, President
The Celotex Corporation
120 South LaSalle Street
Chicago 3, Illinois

Dear Mr. Mansell:

Pursuant to paragraph 8 of the license agreement, dated July 9, 1954, between United States Gypsum Company and The Celotex Corporation, you are hereby notified that since the date of said agreement a license has been granted by the United States Gypsum Company under the patents involved, which provides, in substance, that the provision in paragraph 3(g) of said agreement, relative to a minimum royalty of Two Dollars ($2.00) per ton, shall not be applicable to high temperature insulation products, including blocks, blankets, insulating cement, and pipe covering, which products are made by compressing mineral wool, with or without other ingredients, to a density of twelve (12) pounds or more per cubic foot, and which products are fabricated and sold, particularly for service as thermal insulation for temperatures of one thousand degrees Fahrenheit (1,000°F.) or more.

You are hereby advised that you are entitled to the benefit of such modification of the license agreement should your production thereunder include products of the type hereinabove referred to.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. J. Morgan, Vice President
Asst. to Chairman of the Board

CJM:sc

July 12, 1954

Mr. O. S. Mansell, President
The Celotex Corporation
120 South La Salle Street
Chicago 3, Illinois

Dear Mr. Mansell:

This is to confirm the understanding of the parties to a certain license agreement, dated July 9, 1954, involving United States patents 2,587,710 and 2,648,593, between United States Gypsum Company and The Celotex Corporation, that the term "mineral wool" as defined in paragraph 1(b) thereof does not include any rigid or substantially rigid form of mineral wool which has an apparent density of eight (8) pounds or more per cubic foot, and that all forms of such "mineral wool" shall be considered as products which contain "mineral wool" as an ingredient for the purposes of determining the Licensee's liability for the payment of royalties under paragraph 3(b) of said agreement.

"Working arrangement," as used in paragraph 3(d) of the agreement, means an understanding or agreement, written or oral, with a subsidiary or other business concern to which Licensee transfers or delivers mineral wool, that said subsidiary or other business concern will change the form of the mineral wool received and/or include it as an ingredient in another product or products, where, by reason of such understanding or agreement, such change or inclusion of the mineral wool subsequently results in a direct or indirect pecuniary benefit to Licensee, in addition to the pecuniary benefit, if any, previously received by Licensee for said mineral wool.

It is also the understanding of the parties to said agreement that Licensor shall furnish Licensee with necessary technical assistance and "know-how" to assist Licensee in the initial installation of apparatus and the initial operations thereof under said license agreement until such time as Licensor shall be satisfied that said apparatus is functioning satisfactorily, said technical assistance and "know-how" to be provided at Licensor's expense in so far as compensation

is concerned, it being understood that Licensee will pay all out of pocket costs incurred in connection therewith.

With respect to your inquiry as to pyramiding of royalties, we believe the agreement as now drawn definitely is not capable of such interpretation. It contemplates the payment of a royalty or license fee only once on mineral wool covered by said agreement.

Very truly yours,

President

TOMvHC 7/6/54

LICENSE AGREEMENT

THIS AGREEMENT, made and entered into and executed in duplicate at Chicago, Illinois, this 9th day of July, 1954, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation having a place of business in Chicago, Illinois, hereinafter called "Licensor," and THE CELOTEX CORPORATION, a Delaware corporation having a principal place of business at Chicago, Illinois, hereinafter referred to as "Licensee," WITNESSETH that:

WHEREAS, Licensor is the owner of United States patent No. 2,587,710, issued March 4, 1952, for Apparatus and Process for Making Mineral Wool, and United States patent No. 2,646,593, issued July 28, 1953, on Method and Apparatus for Fiberizing Molten Material; and

WHEREAS, Licensee desires to obtain and Licensor is willing to grant a license to manufacture or to have manufactured for Licensee's own use the apparatus disclosed in said patents and to practice the methods disclosed in said patents upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable considerations paid by Licensee to Licensor and the receipt of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter recited, the parties have agreed as follows:

1. As used in this agreement, the following terms shall be construed as hereinafter defined:

(a) The term "licensed patents" means said patents Nos. 2,587,710 and 2,646,593 and any divisions, continuations, reissues or extensions thereof.

TOMvHC 7/6/54

(b) The term "mineral wool" means any fiberized product made or formed by Licensee from a molten fiber-forming material by an apparatus or a method covered by one or more of said licensed patents, including the same when compressed to the desired density, or formed into granules or nodules, or coated with adhesive or water-proofing material, or wrapped or packaged, or backed with paper sheets, or formed into bats or blankets, which are incidental steps in the preparation of the fiberized product for use, merchandising, or to facilitate handling.

(c) The term "net sales price" means the gross amount received by Licensee on sales of mineral wool contemplated by this agreement, after deduction of its cash and trade discounts, freight allowances, and allowances made for the return of defective merchandise.

2. Licensor hereby gives and grants to Licensee an indivisible, non-exclusive right, license, and privilege under said licensed patents to use the apparatus and to practice the methods covered by said patents and to manufacture or have manufactured for its own use the apparatus for making mineral wool covered thereby.

3. Licensee shall pay to Licensor for the use of said patents during the term of this agreement royalties or license fees as follows:

(a) An amount equal to two per cent (2%) of the net sales price of Licensee of all mineral wool manufactured by Licensee and sold by it (except as provided in paragraphs 3(d) and 3(e) hereof).

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(b) Upon the use, sale, transfer or delivery by Licensee of any other product in which mineral wool is contained as an ingredient, an amount equal to two per cent (2%) of what would then have been the weighted average current net sales price of Licensee of a quantity equal to that of said ingredient, of that form of mineral wool most closely resembling said ingredient.

(c) In case of mineral wool manufactured by Licensee and not sold by it but which is either (1) used by Licensee (except in forming another product in which mineral wool is contained as an ingredient) or (2) transferred or delivered by Licensee to any other person or company, including any subsidiary of Licensee (except as provided in paragraphs 3(d) and 3(e) hereof), an amount equal to two per cent (2%) of what then would have been Licensee's weighted average current net sales price of the mineral wool so used, transferred or delivered.

(d) If Licensee shall transfer or deliver mineral wool to a subsidiary or another business concern, which under a working arrangement with Licensee for Licensee's further benefit in whole or in part, shall either

(1) change said mineral wool from one form to another form of mineral wool, said transfer or delivery thereof by Licensee, for the purpose of computing royalties payable to Licensor, shall be regarded as a transfer or delivery by Licensee of the mineral wool in changed form, and royalties shall be payable by Licensee as provided in paragraph 3(c)(2) hereof; or

(2) convert the same into another product in which mineral wool is contained as an ingredient, said transfer or delivery thereof

by Licensee, for the purpose of computing royalties payable to Licensor, shall be regarded as a sale, transfer or delivery by Licensee of said other product, and royalties shall be payable by Licensee as provided in paragraph 3(b) hereof.

(e) If Licensee shall transfer or deliver mineral wool to a subsidiary of Licensee which shall in turn sell the same in the form in which it is received from Licensee, or if Licensee shall transfer or deliver mineral wool to another business concern with which it has an arrangement to share in the price at which such concern shall sell the same in the form in which it is received from Licensee, then the transfer or delivery thereof by Licensee, for the purpose of computing royalties payable to Licensor, shall be regarded as a sale or sales of mineral wool by Licensee at what would then have been Licensee's weighted average current net sales price if it had sold the same under paragraph 3(a) hereof.

(f) If during any monthly accounting period or during any of the three (3) immediately preceding monthly accounting periods, Licensee does not have any weighted average current net sales price or prices, referred to in subparagraphs (d) and (e) hereof, for mineral wool of the form and thickness so used, sold, transferred or delivered by Licensee during said period under said subparagraphs, then, for the purpose of computing royalties payable to Licensor, any transfer or delivery of mineral wool by Licensee to a subsidiary, or to another business concern having a working arrangement with Licensee or with which Licensee has an arrangement to share in the price at which such concern shall sell said mineral wool, shall

BEST COPY AVAILABLE

be regarded as a sale or sales of mineral wool by Licensee, and the weighted average current net sales price or prices of such subsidiary or other business concern shall be considered as Licensee's weighted average current net sales price or prices.

(g) Under subparagraphs (a), (b), (c), (d) and (e) above, Licensee shall pay royalties or license fees based on the aggregate amount of all of each form and thickness of mineral wool used, sold, transferred or delivered by Licensee, including mineral wool contained as an ingredient in another product, provided, however, that notwithstanding the provisions of said subparagraphs (a), (b), (c),(d) and (e) above, Licensee shall pay to Licensor a minimum royalty or license fee which shall not in any case be less than Two Dollars ($2.00) per ton on the aggregate tonnage of all of each form and thickness of mineral wool either sold, used, transferred or delivered by Licensee as aforesaid, including mineral wool contained as an ingredient in another product.

Example: If during an accounting period Licensee sells mineral wool in two forms, A and B, and if two per cent (2%) of the aggregate net sales price thereof is the equivalent of $1.90 per ton of the mineral wool in form A, and $2.10 per ton of the mineral wool in form B, then applying the minimum royalty provisions of paragraph 3(g), the royalties payable would be on the basis of $2.00 per ton (minimum royalty) of mineral wool in form A, and two per cent (2%) of the net sales price (or the equivalent of $2.10 per ton) of mineral wool in form B.

4. The effective date of this agreement shall be the date of execution thereof.

5. Licensee agrees to keep separate, full and accurate books of accounts and records showing the exact quantity of all of each form and thickness of mineral wool manufactured by Licensee and either (1) sold by it, together with Licensee's selling price thereof; or (2) used by it (except in forming another product including mineral wool as an ingredient) or transferred or delivered to any other person or company, including any subsidiary company, together with what would have been Licensee's weighted average current net sales price of each form and thickness thereof at the time of each commencement of such use or at the time of such transfer or delivery; if Licensee has no such weighted average current net sales price for any accounting period, then the weighted average current net sales price of its subsidiary or other business concern, as provided in paragraph 3(f); or (3) contained as an ingredient in another product which is either used by it or sold, transferred or delivered to any other person or company, including any subsidiary company, together with what would have been Licensee's weighted average current net sales price at the time of each commencement of said use or at the time of said sale, transfer or delivery, of a quantity equal to that of said ingredient, of that form of mineral wool most closely resembling said ingredient, and agrees that on or before the 20th day of each calendar month, it will deliver to Licensor at its office in Chicago, Illinois, true written returns, verified under oath by an officer or other authorized agent of Licensee, setting forth, without any breakdown, (a) the total net sales price of all of each form and thickness of such mineral wool, manufactured and sold by it, in accordance with paragraph 3(a) hereof, the equivalent total net sales price of all of each form of such mineral wool forming an ingredient of another product either used by Licensee or sold,

TCM:HC 7/6/54

transferred or delivered by it, in accordance with paragraph 3(b) hereof, the equivalent total net sales price of all of each form and thickness of such mineral wool which is manufactured and not sold by Licensee but which is either used by Licensee (except in forming another product in which mineral wool is an ingredient) or transferred or delivered to others in accordance with paragraphs 3(c) and 3(e) hereof, the equivalent total net sales price of all of each form and thickness of such mineral wool transferred or delivered to any subsidiary or other business concern having a working arrangement with Licensee in accordance with paragraphs 3(d)(1) and 3(d)(2) hereof, and the equivalent total net sales price of all of each form and thickness of such mineral wool transferred or delivered to a subsidiary or to another business concern having an arrangement to share in the price thereof as provided in paragraph 3(e) hereof, during the preceding calendar month, and (b) the total tonnage of all of each form and thickness of mineral wool manufactured by Licensee and either sold or used (other than as an ingredient of another product) by Licensee or transferred or delivered to others, including any subsidiary company, or contained as an ingredient in any product sold, used, transferred or delivered by it during the preceding calendar month; and (c) the amount of royalty due and payable under the provisions of paragraph 3 hereof. Licensee also agrees to pay to Licensor at its said office on or before the 20th day of each calendar month the hereinbefore stipulated royalties or license fees which may then be due under the terms of this agreement on account of all such mineral wool manufactured and either used by it, or sold, transferred or delivered by it to others, including any subsidiary company, during the preceding calendar month.

6. Licensor shall have the right, at all reasonable times and for such period or periods of time as it may from time to time determine, to verify the correctness of the royalty pay-

TCM:HC 7/6/54

ments by inspection of the accounts and records of Licensee referred to in paragraph 5, provided, however, that such inspection shall be made by an independent auditor, or by any other person acceptable to both Licensor and Licensee, who shall report to Licensor only the amount of the royalties which were payable during the period covered by the inspection. If Licensee shall object to the independent auditor selected by Licensor, or any such other person, then Licensor shall name in writing addressed to Licensee, three certified public accountants of good standing, not directly or indirectly employed by it or in any other manner connected with it, and if Licensee shall not within ten days thereafter accept in writing any one of them, then Licensor shall have the right to designate one of the three to act as the independent auditor, and the expense of making any such audit shall be borne equally by the parties.

7. In the event that a court of final jurisdiction from which no appeal is or can be taken shall hold any of the claims of the licensed patents invalid, Licensee shall thereafter be permitted to use the apparatus and practice the method covered by the claim or claims so held to be invalid and not covered by any other claim or claims of any of the licensed patents, free and clear of the covenants of this agreement and without the payment of royalty therefor; provided that the full royalty payments provided for herein shall be paid by Licensee so long as the apparatus or method it uses is covered by any valid claim of any of the licensed patents.

8. Should Licensor at any time hereafter grant to another party a license under said licensed patents on more favorable terms than those herein specified, it shall promptly notify Licensee thereof, and Licensee shall thereupon have herein the benefit of such more favorable terms which shall become effective as of the effective date of such more favorable license.

JOM:dc 7/6/54

9. Should Licensee fail to keep or perform any of the covenants or obligations herein undertaken, Licensor may serve written notice upon Licensee of the alleged default and its intention to terminate this agreement, and should Licensee not remedy such alleged default within thirty (30) days after receipt of such notice, Licensor shall, upon the expiration of said thirty (30) day period, have the right to terminate this agreement by written notice to Licensee. Nothing in this paragraph contained shall prevent Licensor from specifically enforcing this agreement or any of the terms or conditions thereof by injunction or otherwise taking any action to enforce any claim it may have hereunder in such manner as may be provided by law.

10. Should Licensee discontinue the active manufacture of mineral wool under said licensed patents (except when required to do so by fire, strikes, floods, or accidents beyond the control of Licensee or by acts of God or the public enemy, or by directive of the United States Government in the event of war), for a cumulative period of time exceeding twenty-six (26) weeks (one hundred thirty (130) days exclusive of Saturdays, Sundays and legal holidays) in any two (2) year period, then either party hereto may at its option terminate this agreement by serving written notice of termination upon the other party hereto. Upon cancellation or termination of this license agreement by either party for any reason, all the rights and obligations of the parties hereto shall cease, except that Licensee's obligations under paragraphs 3, 5 and 6 hereof shall continue, and said paragraphs shall remain in full force and effect, until all the mineral wool and other products of which mineral wool is an ingredient, manufactured hereunder prior to said cancellation or termination, are sold, used, transferred or delivered and the royalties accruing under said paragraphs 3 and 5 are paid to Licensor.

7/1/54

11. Licensee shall not, directly or indirectly, by itself, through or together with another or others, contest the validity of said licensed patents during the continuance of this agreement.

12. Licensee agrees to mark all apparatus made by or for it under this license with a notice to the effect that the same is licensed under said licensed patents and, if requested by Licensor to do so, will mark the mineral wool manufactured by it under this agreement, or the packages or other containers therefor, with a notice to the effect that the same was made on apparatus and/or by the methods covered by said licensed patents.

13. Unless sooner terminated in accordance with the provisions hereof, this agreement shall continue for the full term of said licensed patents. This agreement shall extend to and be binding upon the successors, legal representatives and assigns of the parties hereto, but it is expressly understood and agreed that the license herein granted shall be personal to Licensee and shall not be sold, assigned, or transferred by Licensee without the written consent of Licensor, nor may it be transferred by operation of law, nor may it become the property of any merged or consolidated company without the written consent of Licensor.

IN WITNESS WHEREOF, the parties have had this instrument executed by their duly authorized officers and their corporate seals affixed hereto the day and year first above written.

UNITED STATES GYPSUM COMPANY

By G. W. Rhodes
President

Attest:
F. L. Stetson
Secretary

THE CELOTEX CORPORATION

By
President

Attest:
Secretary

DX (USC) 963

§970-P - Chicago - Mr. J. P. Calvin
§900-P - Atlanta - Mr. J. P. O'Brien

§145-1 - Chicago - Mr. R. L. Wallace

Republic Gypsum Price Change - Wallboard

May 12, 1970

After reviewing available information from field reports concerning Republic Gypsum's May 15, 1970 wallboard price change, our Management has decided not to follow with a similar announcement. This decision in no way diminishes our need for increased prices in the States of Texas, Oklahoma, Kansas, Missouri, Arkansas, and Louisiana.

Pursuant to this course of action, it will be necessary to cancel all PA's as of May 15, 1970 where Republic Gypsum is shown to be the competition at prices lower than those recently announced by them. At this time, we have no reports from the field that any other manufacturers have followed the Republic announcement. However, if such should be the case, the same PA cancellation policy will apply.

JLM:prg

cc: §166 - Chicago - Mr. D. C. Wright

Wallboard Price Change - Southwest - Effective June 8

Plan

1. Execute a plan to increase wallboard selling prices and total wallboard profit.

2. Announce a price change that represents

   a. Substantial, but not unrealistic, increase over current low selling prices ($4.00 - $7.00/MSF)

   b. A level at which some profit can be realized after plant cost, depreciation, freight, and allocated overhead is adequately covered. ($32.00 - $36.00/MSF on 1/2" wallboard)

3. Zone the six state area around major markets and establish bulletin prices according to "1" and "2" above. (See attached map)

4. Announce quickly for a June 8 effective date.

   a. Improved prices are needed immediately.

   b. Minimize the period during which low profit surge can develop.

5. Announce there will be no exception to our 2% 20FM, net 10th second FM terms.

Implementation

1. Publish new zone prices by May 26. Group zones having the same price schedule on the same price sheet.

2. Customers will be informed that we fully intend for new higher USG prices to take effect June 8 and that there will be no speculation as to what we will or will not do to meet competition.

3. Current PA's will be cancelled as of the effective date.

4. Jobs already protected to meet competition will be sold at the protected price. No new price protection at current low prices will be made. Proposal to protect jobs to meet competition at prices above current low prices, but below the published prices will be evaluated and acted upon by Division Price and Policy Management.

6. Should it be necessary to publish further price changes by zone to be competitive, each such announcement will clearly state that prices are subject to change without notice.

7. It will be our plan to publish price increases on short notice as market conditions indicate a potential for success.

Strategy

USG intends to continue to be competitive in this six state area, to operate our plants and to maintain a marketing force. According to our field information, Georgia-Pacific has been the leader in establishing and spreading new low prices. Georgia-Pacific also has capacity to supply upwards of one third of the total area demand from their Acme and Blue Rapids Plants, while the total industry capacity exceeds demand by more than 100%. Therefore, unless Georgia-Pacific and other major manufacturers act to raise prices, it will be necessary for USG to take alternative steps.

Field information from our customers could reveal several possible situations:

1. Georgia-Pacific announces a price increase and an effective date different from USG.

   USG will immediately publish changes necessary to be competitive.

2. Georgia-Pacific advises customers there will be no price change. USG will publish changes as required in individual zones to be competitive and maintain at least minimum plant operations.

3. USG field personnel are unable to pick up any response to the USG price announcement.

   USG will continue to implement the price change through the June 8 effective date.

   Early the week of June 8, USG management will select one of the following alternatives.

   a. Publish price changes in individual zones as required to be competitive.

   b. Publish a delay in our June 8 price change effective date to June 22 to allow more time for competitors to find our announcement in the field and take action.

4. Competitive manufacturers announce price changes, but Georgia-Pacific takes no action.

   USG will proceed as if no one has announced.

DX(USG)-1200

DX (USG) 1200

USG REALIZED PRICE AND MARKET SHARE

1961 - 1965

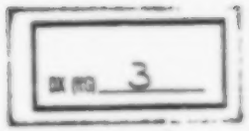
Year	Realized Price (1) 1/2" Wallboard $ Per MSF	USG Market Share (2) Total Gypsum Board in Percent
1961	$42.55	42.4%
1962	42.21	40.4
1963	42.06	39.5
1964	41.01	38.3
1965	36.79	38.3
Change 1961 to 1965	- $5.76	- 4.1%

(1) Calculated from Data Submitted to Bureau of Mines by USG (1963-1965) and from USG Commodity Results Statements (#2 Report) (1961-1962).

(2) Measured in Dollars per Government Exhibits 7 and 5025.

DX(NG)-3

cc: K. H. Atwell - Vice President
J. L. Dickson - Controller
J. P. Hayes - President



January 5, 1971

Mr. Phil Simpson, Chairman
Republic Gypsum Company
P. O. Box 780
1100 Mercantile Bank Building
Dallas, Texas 75221

Dear Mr. Simpson:

As a supplement to Ken Atwell's letter of December 22, 1970 to Mike, I would like to spell out the credit arrangements agreed to during Mike's visit with us.

Dollar Limit - A total credit line of $350,000 has been established.

Time Limit - Net 30 day terms will apply on the following basis:

Invoices dated from the 16th of one month to the 15th of the next month will be due net on the 25th of that month. An additional 60 days from the 25th of that month will be granted at the existing prime rate of interest.

Example: January 16 - February 15 invoices due net February 25 and payable with 60 days interest on April 25.

Republic will pay National whenever the dollar limit and/or time limit is reached, whichever comes first. It is further understood this program is subject to change by National Gypsum Company at any time without prior notice to Republic.

Our present interest policy calls for a rate equal to the prime rate of interest being charged by major New York City banks which is, at this date, 6-3/4% per annum. In fairness to you, however, we wish to explain this policy is presently under review and that a change is expected momentarily. The change will probably increase our rate of interest. We feel that due to our cost of borrowing money and the requirement placed on us for compensating balances, an increase in interest rates charged customers is required.

DX(NG)-3

When this change occurs, we will notify you of the new rate of interest.

Please let me know if you have any questions about our program. I enjoyed meeting Mike while he was in Buffalo and hope that I will have an opportunity to meet you soon.

Sincerely yours,

NATIONAL GYPSUM COMPANY

R. D. Barber
General Credit Manager

jc

cc: Mr. Rhyne Simpson, Jr. - President
Republic Gypsum Company
P. O. Box 780
1100 Mercantile Bank Building
Dallas, Texas 75221

DX(NG)-8

October 10, 1972

Mr. John P. Hayes, President
Gold Bond Building Products
Division of National Cypsum Company
Buffalo, New York 14202

Dear Jack:

We indicated to you in March of this year that we would try to review our special extended terms arrangement on paper on November 1 of this year. We have determined that we will be able to discontinue the extended terms on purchases after November 1 and we will be able to pay them on your ordinary net terms.

Your cooperation during the last several months in granting us special terms has been very much appreciated. It was quite helpful to us and I want you to know that all of us are grateful for the help that you and your company gave to us.

Our Duke plant continues to operate at peak capacity and, as a result, paper from your Pryor plant has been extremely tight. We would appreciate any continuing help you could give to assure prompt delivery for our requirements. Best personal regards.

Sincerely yours,

REPUBLIC HOUSING CORPORATION

Rhyne Simpson, Jr.
President

RSJr:ss
cc: Mr. K. H. Atwell
Mr. D. D. Kent

DX(NG)-10

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: GYPSUM PLANT MANAGERS Subject: Sales Administration Date: June 29, 1966
From: L. B. Crowell

cc: E. W. Odenwaldt
C. E. Koch
R. E. Gill
W. B. Hoffman
C. D. Webster - Sales
E. E. Kroth - Sales
W. P. Marks - Sales

In at least one previous letter, I have stressed the importance of Sales Order and plant personnel working together to be certain the rules laid out in the price book, the Gold Bond bulletins, and any other specific instructions from Sales Administration are followed to the letter. This is such an important matter that I wish to re-stress it.

Our customers are doing everything in their power to break the price line or to get special considerations. With the steadily tightening business situation, this pressure will grow much stronger, and our only defense is to do everything in our power to avoid being tricked into a situation which allows them to force us off of a price or service stand we have taken.

It may seem a small matter to ship a few special lengths that may be on hand and bill them as a regular length, thus allowing immediate shipment and saving the cost of recutting to the standard length. However, this may be the crack in the wall that allows a dealer and an entire market to break down our upped price for special lengths, for they can claim that if we can ship these at regular price, there is no reason why we can't ship all special lengths at regular price.

This may seem far-fetched but it has actually happened. Furthermore, some dealers, not too much bothered by their consciences, have even gone to the length of forging invoices or altering them to try to prove to our competitors or our own salesmen that such deals have been made and that they should be continued. Obviously this is a very unusual case, but here again such things have happened and are indicative of the pressures on our sales people to try to break down our price structure.

I know the position of the Sales Administration Department on what may seem to be small matters often appears to be arbitrary or unnecessarily strict. Unfortunately, they have no choice but to stick to the absolute letter of policy, nor can they allow any new arrangement to be made with a customer until it is carefully checked from every angle to be certain it does not endanger the price structure.

NG 200215

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DI(NG)-10

Gypsum Plant Managers
SALES ADMINISTRATION - 2 - June 30, 1966

District Sales Offices, Sales Order Offices, or any field sales organization have no more authority than we do to digress from Sales Administration policy, and their agreement is no clearance to deviate from set policies. Obviously any pressure from any salesman or sales office to digress from the price book or bulletined policy should never get past your Sales Order Supervisor.

I realize that it is the responsibility of the Sales Order group to police this matter. My reason for writing is to let you have a better understanding of why these rules must be so strictly enforced so that you can both support your Sales Order man in stopping any deviations and so that you will be able to understand the reason behind the strict position against them. If there is any question, Sales Administration should be contacted.

L. B. Crowell
General Production Manager

LBC/re/eb

Gold Zone

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To R. N. Atwell Subject Moore's Super Stores, Inc. - 63 Reserve Ave. SW Roanoke, Virginia Date January 30, 1968
From C. B. Marlees

PERSONAL & CONFIDENTIAL

On January 11, 1968 I talked personally with Richard G. McGimsey, Vice President - Purchasing. At that time he advised me the following..

He has an agreement for the year 1968 with U. S. Gypsum Company to purchase gypsum board products at regular published prices less 5%; that U. S. Gypsum is paying the salary of one man on Moore's payroll in Asheville, N. C., and will pay the salaries for three additional men during the year 1968 at each of four locations where new stores are to be opened. (I.e., one at Asheville and one each at three other stores unknown to me at this time.)

In addition to this, U. S. Gypsum is publishing "flyers" for distribution by the various Moore's stores to prospective customers; they also will publish brochures for each of the local stores to be sent to a specific mailing list consisting of drywall contractors and/or other contractors as designated by Moore's Stores.

Mr. McGimsey put a value of $30,000 on the brochures and "flyers" .. he put no value on the manpower that U. S. Gypsum has agreed to pay for during 1968.

I advised Mr. McGimsey we would meet the 5% discount on gypsum board products immediately, but that it would require further discussion before we could consent to meet any of the additional aids offered by our competitors.

Mr. McGimsey, at my request, and with the approval of their home office in Portland, Oregon, will tell his thirty yard managers they are to purchase a substantial portion of their gypsum board requirements from National Gypsum Company. He is basing his request to his managers on the fact that U. S. Gypsum Company, with their proposed acquisition of Amated Industries, will be a competitor of Moore's parent company, Evans Products. He is

also using the fact that Mr. Orloff, Chief Executive Officer of Evans, and Colon Brown of our Company are good friends.

Mr. McGinsey has requested, and I have agreed to send, a monthly check to his personal attention for the 5% discount. He stated this is the way U. S. Gypsum has handled their discounts in the past.

I will advise you when other terms or considerations are agreed upon with Mr. McGinsey of Moore's. He has suggested that I visit with him in the latter part of February.

The above has been discussed with and approved by J. P. Nicely as of January 22, 1968.

C. D. Harless

CDH/ba

PS .. Ken, I advised Mr. McGinsey of his legal liability in giving false or untrue information relative to what he may be receiving from U. S. Gypsum Company. He acknowledged his responsibility and assured me that we would not be giving any more than U. S. Gypsum if we met all of the above competitive situations as outlined.

C. D. H.

395055

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To K. N. Atwell Subject Risaco, Inc. 8457 Richmond Hwy. Alexandria, Va. Date February 12, 1968 From C. D. Harless

PERSONAL & CONFIDENTIAL:

K (M) 13

On Wednesday, January 31, 1968, I met personally with Ralph Davenport of the subject company and advised him that we would meet competitive gypsum prices up to 5% discount on gypsum board machine products.

This will be effective February 1, 1968, and until we advise him otherwise.

Mr. Davenport advised me that he had been receiving 5% or better from Kaiser Gypsum and Bestwall Gypsum. He stated that Bestwall was giving him 5% discount up to January 1, 1968, and had offered a 10% discount, effective January 1, 1968 and thereafter, plus cash discount.

Mr. Davenport also asked that we give price protection on six million feet of board for the Inner Drywall Co. I turned this down, but he inferred that he could get the protection from another manufacturer. He didn't push for anything more specific on this protection.

I would suggest that a monthly check equal to 5% of Risaco's gypsum purchases be sent to my attention so that I can personally mail it to Mr. Ralph Davenport at Risaco, Inc.

I advised Mr. Davenport of his legal liability in misrepresenting any facts concerning competition, and he understands his position in this matter.

C. D. Harless

CDH/ba

NG 715773

DX(NG)-28

NATIONAL GYPSUM COMPANY

ADMITTED

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

May 13, 1967

II (M) 28

SUBJECT: REDUCTION IN PRICES OF GYPSUM BOARD MACHINE PRODUCTS

EFFECTIVE: MAY 15, 1967

TO OUR CUSTOMERS:

To enable all our Gold Bond Customers to be competitive with any individual account who may be receiving price discounts or other inducements from our competitors, we are reducing prices on some Gypsum Board Machine Products.

We feel such a general reduction is more equitable than meeting spot competition and avoids possible price discrimination.

Effective with shipments made on and after May 15, 1967, our published prices will be reduced by amounts shown as follows:

1/4" Cream Face Wallboard	$1.00 per MSF
3/8" Cream Face Wallboard	1.50 per MSF
1/2" Regular and Fireshield Cream Face Wallboard	2.00 per MSF
5/8" Regular and Fireshield Cream Face Wallboard	2.50 per MSF
1/2" Gypsum Sheathing	2.00 per MSF

No adjustment of price will be made on shipments made prior to May 15, 1967. In compliance with our published policy, we do not offer price protection.

Prices are subject to change without notice. We reserve the right to be competitive.

NATIONAL GYPSUM COMPANY

Suggest file 5/15/67

NATIONAL GYPSUM CO
10034

DX(NG)-29

J B Woodmansee - Sales Policy

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: All Dealer Salesmen
Division Managers
District Managers
Sales Managers
Plant Managers
Sales Order Supervisors
C. Gustavus

Subject: Reduction in Prices of Some Gypsum Board Machine Items

Date: May 13, 1967
From: K. E. Atwell

ADMITTED

II (M) 29

Attached is a copy of a price bulletin we mailed to your customers on Saturday, May 13th, to become effective May 15, 1967.

The action taken in this announcement was to meet price discounts and other inducements believed to have been made by competition to select accounts on an individual basis.

To provide an equitable competitive position for our customers, and avoid possible price discrimination, we chose to reduce published prices in this manner in preference to meeting specific situations.

We cannot make any adjustment price on customers' warehouse stocks. Also, we hasten to point out, we can offer no price protection and that all prices are subject to change without notice.

No CM's will be honored adjusting materials in transit unless the CM is accompanied with absolute proof of delivery on or after May 15, 1967.

K. E. Atwell

ds

NG 100212

E. E. Hoehn

cc: J. W. Lamm

Price Approval Report

January 22, 1960
E. E. Hoehn

ADMITTED

31 (16) 31

Orange: Our increase on Alpha for the west coast did not take place until January 15 and instead of reducing the increase of $3.75 for 1/2" wall, to be competitive, we could only increase our price $2.85 on a 1/2" basis.

The $2.50 and $3.00 allowances which previously pre vailed only in the Los Angeles area, have spread to Fresno, Stockton and Modesto. We have found price exceptions to the list prices in the San Francisco area.

The 5% competitive discount in the Seattle area mentioned in Lost Month's letter now applies from the higher level.

Just might we have issued to meet competitive by allowing single trucks of Alpha to be shipped in the Pasadena area instead of the large carload price.

We have found a few confirmed exceptions to price in the west coast, in the Atlanta area, in Tennessee, Detroit, Kansas City, Chicago as major competition is operative. Of course all smaller manufacturers have discounts off of list prices for Alpha which may not necessarily apply to all of their business.

Delphi: Our price increase went into effect on January 15. However in many areas, to be competitive, we have had to promote jobs at the old prices for the first letter. Incidentally, we find this to be practic of about every six months. However we have heard of very few exceptions

[illegible]

5% to distributors under normal conditions; but we have known competitive situations, we are selling value and important accounts at prices as low as $15.10.

In the Texas area, where the list price is [illegible] with a 5% off to bona fide distributors or $38.00, we have again find it necessary to be competitive by selling value and important accounts including as low as $15.10.

Delphi Standard: Although we announced a reselling off price of prices for these materials prevails to terms effective January 15, to meet those previously published by competition, we found it necessary to defer this new price structure until February 1 to meet Georgia Pacific. Although some prices are lower, many are higher, which would net us a 5% to 7% increase.

Delphi Standard, Lite: Because of Delphi Std Lite: Although there are many competitively priced products, there hasn't been much change since the last report.

E. E. Hoehn

BEST COPY AVAILABLE

E. F. Hardy

Price Activity Letter

April 12, 1960
E. H. Atwill

cc: F. P. Hayes
J. B. Keehan

ADMITTED

PX (16) 32

Texas: The competitive activity on Ponderosa prices in the west coast is extremely active. For example, 1/2" Ponderosa board prices in the San Francisco Bay area are now off $7.00 per M from published list prices. The same applies in the Los Angeles metropolitan area.

Also, competitive prices on Ponderosa boards in all other parts of the country are sporadic, running anywhere from 5% to 10% off list prices. The areas on the west coast are the only ones where general moves have been made on price. In the balance of the country, competitive prices are handled on a selective basis by account.

Louisiana-Nevada: Only one other competitor followed our lead on an increase in Douglas Fourth Clearing Lumber.

We are retaining our high price, but meeting competition as necessary. This competition amounts to approximately $3.00 per M.

We have again been forced to delay our increase on Ponderosa shortages until April 20 for competitive reasons.

Grand Portland: We increased our new prices on metal products and our 1 x 12, rough in the Plains, but withdrew all increases in being quoted.

We received a phone inquiry on Wednesday, April 6th, from Western Metals Corp., which would involve us in quite sizeable tonnage of Ponderosa.

We also received a telegram on Monday of last week, which we could not act on until we got a letter. This is the latest situation they are

Pacific Coast: Nothing has come to our attention since our last

. . .

will be increased about 4%, but, unfortunately will not get us any additional profit because our suppliers increased their costs to us, leaving us the same margin as we had on the lower selling prices.

Utility situation: Most all our sales business in Utah with Utah Power & Light Company is competitively on quite small sales and seems to hypothetically we could have an additional $10,000 gross profit.

Idaho Timber & Treating: We previously advised Idaho treaters planned to have their increased effective January 1; in the amount of 5% to 7%. Since then, due to highly competitive price market, we estimate we will only realize about half of this increase.

Intermountain Lumber: We previously advised of an announcement of $3 per M of additional price effective March 1. Due to competitive reasons, the increase was delayed until April 1, and finally materialized only to $2 per M rather than the $3 we had previously received.

E. H. Atwill

J. P. Wisely

Price Activity Letter

May 13, 1958
E. H. Atwell

cc: J. P. Hayes
J. W. Lucas

ADMITTED

33

[illegible] The competitive activity on glycol prices has shifted somewhat to the entire country. Allowable trade adjustments from 5¢ off to the price less 5%, and even lower.

Inhibition Board: At the present time the chemical price index is to be raised within 3% of the announced increase effective April 28, 1958.

Ethyl: We announced a 3¢ increase on metal to become effective November 1, 1958. This would mean an additional $36,000 in profit for November-December, or an increase in annual profit of $183,000.

There have been no significant price changes in other products.

E. H. Atwell

EHA

J. P. Wisely

Price Activity Letter

June 24, 1958
E. H. Atwell

cc: J. P. Hayes
J. W. Lucas

ADMITTED

94

Glycol: The competitive prices of glycol continue their downward spiral. It would be difficult to arrange a discount off published prices. Following are examples of competitive situations we have met below list prices:

[illegible] per MLB/ MY
[illegible] per MLB/ CCY
5%
5% and 5%
5% and 3%
5%, 3% and 2%
5% and 2%
2% & 2% and 2%
2%, 2% and $1.00 per MLB
2% and 2%
2%, 2% and 2%

We mailed bulletins dated June 1, 1958 to our dealers east of the Rockies announcing an increase on glycol base products to become effective August 1, 1958. We also mailed notices dated June 17, 1958 to states west of the Rockies, revoking published prices.

The competitors have announced price increases on the same basis which would put list prices about [illegible] but our [illegible] to be higher than competitive prices on any tankcar or bag prices. [illegible] per MLB per [illegible].

[illegible]

[illegible]

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Plasterboard Board Products: We announced an increase of $1.00 on Sheetrock and $1.00 on Imperial to become effective July 1. This would add up to an increased profit of $30,000 annually or $14,000 for the last six months.

Lime: Recently the Board [illegible] Division, [illegible] Division [illegible] Lime for [illegible] Lime, Inc. have, as a result, an increase [illegible] Lime Board duty.

We have announced an increase on drywall screws to become effective July 1, as our cost will increase the same date.

As we may have previously stated, on May 15 we increased our prices of screw studs and tracks but unfortunately have not found anyone to follow. We haven't rescinded our price but find ourselves in a position where we have to be competitive with old prices in many areas.

Plasterlime: Prices were increased June 1 approximately 5% but this added no additional profit to us because our supplier increased our cost in almost the same amount.

W. B. Mizell

DX(NS)-77

NATIONAL GYPSUM COMPANY

STATEMENT OF POLICY

07-20-51

SUBJECT: Antitrust Law Compliance

APPROVED: J. Gillespie

ISSUE DATE: 12/1/67

AREA OF APPLICATION: All Subsidiaries, Divisions and Corporate

EFFECTIVE DATE: In effect

POLICY: It is the policy of the Corporation to comply strictly in all respects with the Antitrust Laws.

DX(NG)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

07-02-01-01

Page 1 of 13

Antitrust Law Compliance

Approved: J. Millspaugh

Issue Date: 12/1/67

AREA OF APPLICATION: All Subsidiaries, Divisions and Corporate

EFFECTIVE DATE: In effect

REFERENCE: Policy NG-07-02-01

SOURCE: The increased scope of the Company's operations emphasizes the need to restate the Company's policy concerning the Antitrust Laws. Violations of the law in any area of the Company's operations may have far reaching effects and may result in substantial injury to the Company in lengthy and expensive litigation, triple damage liability and injunctions or orders affecting its property or business.

SCOPE:

1. While compliance with the Antitrust Laws as well as with other laws is of great importance, it is equally important that the Company pursue all lawful competitive activities.

2. The major thrust of the Antitrust Laws is that each company will establish its own prices and terms of sale, select the products to be made and sold by it, and determine the territories and customers it seeks to serve, in the exercise of its own independent business judgment and not by action in concert with others.

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NATIONAL GYPSUM COMPANY

PROCEDURE

07-02-01-01

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Antitrust Law Compliance

Approved: J. Millspaugh

Issue Date: 12/1/67

3. Intelligent exercise of such business judgment requires an up to the moment knowledge of the marketplace, including the fullest possible knowledge of each competitor's action in the market and all factors which may have a bearing on those actions. Such information will be continually sought in all proper ways and reported to those whose responsibility it is to recommend or make policy decisions. Educational programs will continue to stress what can, as well as what cannot, be done. In matters which lie within the compass of the Antitrust Laws, the Company will seek to avoid not only the "evil" but the "appearance of evil" as well. In order to compete, the Company is required to know its competition and, therefore, is required to keep fully posted on what our competitors are doing. Such knowledge will be passed on to the officer responsible.

4. Participation in the activities of the Trade Associations to which the Company belongs in carrying out their lawful objectives benefits the Company and remains both proper and needful.

5. The objective of Company policy, therefore, is education, self-policing, and the exercise of an educated, good-faith judgment both to comply with the Antitrust Laws and aggressively to compete under them.

RESPONSIBILITY:

1. Every officer, Corporate, Division or Subsidiary, and within each division or subsidiary, each District, Division, Regional and General Manager is responsible for the education of and compliance by personnel under his jurisdiction with this policy and procedure. Questions concerning the applicability of the Antitrust Laws to any activity or transaction shall follow organizational channels up to the officer in charge. If required, legal clearance shall be obtained through the office of the Corporate Counsel.

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NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER 07-02-01-01

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SUBJECT: Antitrust Law Compliance

APPROVED

ISSUE DATE 12/1/87

5. Violations of this policy by any employee will subject him to possible dismissal or other discipline, as management shall determine.

FORMS The respective forms used by each division will be listed with instructions concerning procedure for their use.

IDENTIFIED 8

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NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER 07-02-01-01

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SUBJECT: Antitrust Law Compliance

APPROVED

ISSUE DATE 12/1/87

NATIONAL GYPSUM COMPANY

PROCEDURE

07-02-01-01

Page 8 of 13

Subject: Antitrust Law Compliance

Approved: [signature]

Issue Date: 12/1/87

DS(86)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

07-02-01-01

Page 8 of 13

Subject: Antitrust Law Compliance

Approved: [signature]

Issue Date: 12/1/87

ACCOUNTING

PROCEDURE: 1. The following guides to the administration of this policy are designed to protect the Company against violations and the appearance of violations of the Antitrust Laws, and to explain what the Company can do in pursuing its lawful competitive objectives.

DI(86)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER 07-02-01-01

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SUBJECT: Antitrust Law Compliance

APPROVED

ISSUE DATE 12/1/87

GUIDES TO ADMINISTRATION OF COMPLIANCE WITH ANTITRUST LAWS

(Note: "You" is used for convenience only. It means "the Company". In doing "What You Can Do", each person's responsibilities are determined by his own superior.)

What You Can't Do

Agree or have any understanding with a competitor as to prices, terms, or conditions of sale.

What You Can Do

Establish your own prices, terms and conditions of sale, in the exercise of independent business judgment, taking into consideration as up to the minute knowledge of competitors' past actions and your appraisal of their probable responses, including possible economic retaliation. It is not improper to have your competitors' price lists in your possession -- get them preferably from the customer level or from the competitor (without discussion or comment) after he has issued them to the trade. It is proper to keep a running check, at the customer level, on competitors' activities and to report them. The law neither requires nor contemplates that the required independent action shall take place in a competitive vacuum.

NG1100JS

DI(86)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER NO-07-02-01-01

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SUBJECT: Antitrust Law Compliance

APPROVED

ISSUE DATE 12/1/87

What You Can't Do

Discuss prospective prices, terms, or conditions of sale, with a competitor; or "complain" to a competitor about his "price cutting"; or listen to his complaint about your prices, terms, or conditions of sale.

What You Can Do

Find out, at the customer level, what prices, terms, or conditions of sale a competitor has charged or quoted, or is presently charging or quoting to a specific customer. Information supplied by the customer or prospective customer may not always be accurate, and additional confirmation may be necessary. It is not unlawful to check directly with a competitor (but without comment or discussion of any kind) about a past or present fact -- what prices, terms or conditions of sale he has charged or quoted -- but it is dangerous because of adverse inferences which may be drawn from any competitor contact on these subjects. However, if information or rumor at the customer level indicates a significant price change may be occurring, direct confirmation of past actions, at the competitor level (without comment or discussion of any kind), may be preferable, in spite of possible adverse inferences, to the loss of business which may occur if the company does not promptly confirm and take its own independent action. Such contacts shall be made only by persons authorized by management and who will have direct responsibility to keep such contacts limited and lawful.

NG1100JS

DI(NG)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER 07-02-01-01

PAGE 6 OF 12

SUBJECT: Antitrust Law Compliance

SUPERSEDES NG-07-02-01-01 — Page 6 of 12 issued 12/1/67

APPROVED

ISSUE DATE 1969

What You Can't Do

Discuss past, present or prospective prices, terms, or conditions of sale with a competitor; or "complain" to a competitor about his "price cutting"; or listen to his complaint about your prices, terms, or conditions of sale.

As a result of a 1969 Supreme Court decision, any exchange of price information with a competitor, and even the verification of a competitor's existing prices by direct contact with a competitor may be unlawful.

What You Can Do

Find out, in the field and at the customer level and preferably from written evidence, what prices, terms, or conditions of sale a competitor has charged or quoted or is presently charging or quoting to a specific customer.

Information supplied by the customer or prospective customer may not always be accurate. Therefore, because of a seller's inability to verify competitive prices with his competitor and the consequent inability to confirm a customer's report, there may be a risk of price discrimination when a reported competitive price is met. This risk may have to be taken in place of the more serious risk of any appearance of collusion by contact with a competitor.

DI(NG)-77

NATIONAL GYPSUM COMPANY

PROCEDURE

NUMBER 07-02-01-01

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SUBJECT: Antitrust Law Compliance

SUPERSEDES

APPROVED

ISSUE DATE 12/1/67

What You Can't Do

Use words that imply that competitors act together on prices and terms -- this is the "appearance of evil" from which inferences strong enough to convict the innocent may be drawn. (You do this when you speak or write of "the industry price", or complain that a competitor is a "price cutter" or a "chiseler", or use the terms "demoralization" or "stabilization" in relation to prices, or speak of an "industry price structure", or charge a competitor with "violating industry policy".

Consider or discuss prices or terms at any association meeting or otherwise.

Agree with a competitor on a share of a customer's business, on selection of customers, or on division of markets by territory or product.

What You Can Do

Avoid the "appearance of evil" by reporting only the facts about competitors' past or present actions. General remarks and comments should be avoided. You may tend to forget that, in the eyes of the law it is the competitor who charges less than you do who is doing what the Sherman Act favors.

Walk out of the meeting, if the subject of prices or terms comes up. Report the incident to your superior; if assurances against recurrence cannot be obtained, resignation from the association is the only alternative.

Decide these things for yourself, in the exercise of independent business judgment, but again, not in a competitive vacuum. You can and should consider the power of economic retaliation competitors possess -- and you may decide not to seek a greater share of a split-supply customer's business, nor invade a new territory, nor solicit particular customers of a competitor, nor enter the product line specialty of a competitor. If it is your own independent decision, it is lawful -- but you can't take the short-cut of agreeing on it.

NATIONAL GYPSUM COMPANY

PROCEDURE

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SUBJECT: Antitrust Law Compliance

APPROVED: F. Millspaugh

ISSUE DATE: 12/1/67

What You Can't Do

Agree with a customer on his resale prices, terms, and policies -- this is "vertical" price fixing or "resale price maintenance" and violates the Sherman Act, since none of our products have been "Fair-Traded" under State laws.

Control a customer's resale prices, terms, and policies indirectly

by threatening refusal to do business.

by acting on one customer's complaint about another customer's prices.

Discriminate among your customers in prices, terms, services, and allowances, unless a specific rule or exception applies under the Robinson-Patman Act

What You Can Do

Furnish list prices which are simply "suggested" resale prices -- but let the customer's decision be his own.

Select your customers, in the first instance, on the basis (among others) of his pricing reputation, and refuse to do further business if you don't like a customer's pricing methods. There is no short cut -- you must either continue to do business with him, without discussing his resale prices, or terminate him without prior threat concerning his resale prices.

(1) Functional Discounts

Charge different prices to groups of customers classified by the function they perform, i.e., wholesaler, retailer, etc. This is generally proper because the classes do not compete with each other in any way that the Act protects. Note: If one customer performs two functions, e.g., both wholesales and retails, you have a problem for special clearance, since he is not entitled to receive the wholesale discount on any portion of a purchase from you which he does not resell at wholesale.

NC 440313

Antitrust Law Compliance

APPROVED: F. Millspaugh

ISSUE DATE: 12/1/67

What You Can't Do

Charge lower prices to one customer solely because the volume of his purchases reduces your unit costs of all production. Typical example: Reduction based on volume of purchases over a calendar period or reduction to a new customer when you are running below capacity.

Undercut a competitor's low price to one customer, while maintaining your higher prices to other customers.

What You Can Do

(2) Cost Justification

Reflect all or part of actual cost savings (manufacture, sale and delivery) for a particular customer's orders, in lower prices to him. Cost allowances require an approved cost accounting study at Home Office and Legal Department clearance.

(3) Meeting Competition

Charge one customer a lower price than others in order to meet in good faith an equally low price of a competitor to that customer.

Attribute the lower unit costs of production, due solely to aggregate volume, ratably to all customers whose orders make up the total volume. Note: This usually means that no variation is justifiable solely on added overall volume.

Meet, but not beat, competition is the rule for the "meeting competition" justification under the Robinson-Patman Act. This requires a "Request to Meet Competition" on the official form. Note: Even though the Act says "meet" an "equally low" price, you don't have to reduce all the way down to the competitor's price -- if you can sell in between your level and his low price, this still meets the test of the Act.

NC 440313

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NATIONAL GYPSUM COMPANY

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NUMBER 07-02-01-01

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SUBJECT: Antitrust Law Compliance

SUPERSEDES

APPROVED: Gillespie

ISSUE DATE: 12/1/67

What You Can't Do

Pay "brokerage" to a customer, or qualify a mere agency of the customer as a jobber, etc.

What You Can Do

Investigate customer classification and be certain that brokerage payments and functional discounts go only to independent, properly classified accounts performing their indicated functions. Note: The Robinson-Patman Act makes payments disguised as brokerage illegal as such, even if the reduced net price might have been justified openly and without disguise on a cost basis or as a meeting of competition.

Final Note: The foregoing is not a treatise on the antitrust laws, but a sketchy outline only to acquaint you with a few basic ideas and concepts; and reading it or knowing it does not make you an antitrust expert. Be alert to clear all situations and/or questions as required by this procedure.

NG 110014

DX(NG)-270

NATIONAL GYPSUM COMPANY

EXECUTIVE OFFICES: GOLD BOND BUILDING · BUFFALO, NEW YORK 14209

September 16, 1966

DX(NG) 270

To Our Customers:

Extension of Billing Period

Effective September 21, 1965, all shipments of gypsum, joint treatment, acoustical, insulation board products, and drywall studs made on or after the 21st of each month may be considered a billing in the following month.

For example, shipments of these products made September 21st through October 20th must be paid by November 20th to earn cash discount.

This extension of our billing period also applies to other Gold Bond products where they are "Top Loaded" on shipments of gypsum products.

This represents a change in our billing cycle only - it does not change our credit policy or our terms of sale.

NATIONAL GYPSUM COMPANY

This applies into states of:

Arizona, California, Idaho, Nevada, Oregon, Utah and Washington.

by

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Subsidiaries and Divisions: AMERICAN OLEAN TILE COMPANY, INC. · HERON PORTLAND CEMENT COMPANY · ALLEGHENY PORTLAND CEMENT CO.

DX(NG)-271

NATIONAL GYPSUM COMPANY

EXECUTIVE OFFICES · GOLD BOND BUILDING · BUFFALO NEW YORK 14202

September 16, 1966

ACCEPTED

DX (NG) 271

To Our Customers:

Extension of Billing Period

Effective September 21, 1966, all shipments of gypsum products made on or after the 21st of each month may be considered a billing in the following month.

For example, shipments of these products made September 21st through October 20th must be paid by November 20th to earn cash discount.

This extension of our billing period also applies to other Gold Bond products where they are "Top Loaded" on shipments of gypsum products.

This represents a change in our billing cycle only - it does not change our credit policy or our terms of sale.

NATIONAL GYPSUM COMPANY

This applies into states of:

Alabama, Colorado, Connecticut, Delaware, Florida, Georgia, Kansas, Maine, Maryland, Massachusetts, Montana, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Wyoming, and District of Columbia.

NG 707851

NATIONAL GYPSUM COMPANY

PRICE BULLETIN

EXECUTIVE OFFICES · BUFFALO, N. Y. 14202
SEPTEMBER 5, 1968

(CANCELS AND SUPERSEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (NG) 272

THIS NOTICE CANCELS AND SUPERSEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

ALL F.O.B. MILL FOR SHIPPING POINT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER M S F

TO DESTINATIONS IN THE MAINE COUNTIES OF:	SHIPPED IN MINIMUM	NET CARLOAD	30T-40T SGL CAR 37T-43T FLAT CAR
ANDROSCOG HANCOCK PENOBSCOT PISCATAQUIS WALDO WASHINGTON	1/4" WALLBOARD	$40.50	$46.75
	3/8" WALLBOARD	44.50	42.50
	1/2" WALLBOARD	36.25	48.25
	5/8" WALLBOARD	38.25	56.25
	1/2" F/R WALLBOARD	37.50	55.75
	5/8" F/R WALLBOARD	41.00	65.00
	1/2" GYPSUM SHEATHING	43.25	51.50
	3/8" FASHION GRAIN	38.75	56.75
	3/8" DUNASEAL	180.00	178.00
	1/2" DUNASEAL	185.75	184.00
	5/8" F/R DUNASEAL	212.25	210.50
	1/2" WB BOARD	87.25	85.25
	1" CORESBOARD	109.50	106.00
	3/8" GYPSUM LATH	33.75	33.75
	1/2" GYPSUM LATH	40.50	40.75

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR SAG RODS BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708007

BEST COPY AVAILABLE

NATIONAL •PRICE•BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERSEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

II (III) 273

THIS OFFICE CANCELS AND SUPERSEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To DESTINATION IN

1) THE STATE OF VERMONT

2) NEW HAMPSHIRE COUNTIES OF:
Belknap, Grafton, Carroll, Merrimack, Cheshire, Strafford, Coos, Sullivan

3) MAINE COUNTIES OF:
Androscoggin, Lincoln, Cumberland, Oxford, Franklin, Penobscot, Somerset, Knox, Waldo, Sagadahoc, AND THE CITY OF FAIRFIELD IN SOMERSET COUNTY

SHIPPED IN MIXTURE	10T TRUCKS	20T TRUCKS	20-TON BOX CAR 35-TON FLAT CAR
1/4" Wallboard	$40.25	$38.75	
3/8" Wallboard	44.75	43.50	
1/2" Wallboard	51.25	48.25	
5/8" Wallboard	60.00	56.25	
1/2" F/R Wallboard	58.75	55.75	
5/8" F/R Wallboard	68.75	65.00	
1/2" Gypsum Sheathing	44.50	41.50	
3/8" Plaster Grade	83.00	80.75	
3/8" Dunsheet	181.25	178.25	
1/2" Dunsheet	187.00	184.00	
5/8" F/R Dunsheet	214.25	210.50	
1/2" MR Board	88.25	85.25	
1" Coreboard	112.50	106.00	
3/8" Gypsum Lath	36.00	33.75	
1/2" Gypsum Lath	41.75	38.75	

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR SAG RODS BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATION (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX., SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708008

NATIONAL •PRICE•BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERSEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

II (III) 274

THIS NOTICE CANCELS AND SUPERSEDES OUR PRICE BULLETIN OF JUNE 1, 1968 [illegible] PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

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PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To DESTINATION IN

1) NEW HAMPSHIRE COUNTIES OF:
Hillsboro, Rockingham

2) ENTIRE STATE OF MASSACHUSETTS*

*(SHIPMENTS FOR DUKES AND NANTUCKET COUNTIES ARE PRICED F.O.B. VINEYARD, WOODS HOLE, MASS. ALL CHARGES BEYOND THE WHARF ARE FOR THE DEALER'S ACCOUNT.)

3) ENTIRE STATE OF RHODE ISLAND

SHIPPED IN MIXTURE	10T TRUCKS	20T TRUCKS	20-TON BOX CAR 35-TON FLAT CAR
1/4" Wallboard	$40.25	$38.50	$38.75
3/8" Wallboard	44.75	42.75	42.50
1/2" Wallboard	51.25	48.50	48.25
5/8" Wallboard	59.85	56.50	56.25
1/2" F/R Wallboard	58.50	55.50	55.75
5/8" F/R Wallboard	68.25	65.00	65.00
1/2" Gypsum Sheathing	44.00	41.50	41.50
3/8" Plaster Grade	83.00	80.00	80.75
3/8" Dunsheet	180.75	178.50	178.25
1/2" Dunsheet	187.00	184.50	184.00
5/8" F/R Dunsheet	214.25	210.75	210.50
1/2" MR Board	88.25	85.50	85.25
1" Coreboard	110.50	106.20	106.00
3/8" Gypsum Lath	36.00	33.90	33.75
1/2" Gypsum Lath	41.00	38.80	38.75

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR SAG RODS BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708009

250-048 O - 77 - vol. 5 - 80

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

II (11) 375

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% MONTH 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	10T TRUCKS	20T TRUCKS	36-KOT BOX CAR 35-KOT FLAT CAR
1/4" WALLBOARD	$39.50		$38.75
3/8" WALLBOARD	$3.75		$2.50
1/2" WALLBOARD	$9.50		$8.25
5/8" WALLBOARD	37.50		36.25
1/2" F/S WALLBOARD	36.50		35.75
5/8" F/S WALLBOARD	66.25		65.00
1/2" GYPSUM SHEATHING	92.75		91.50
3/8" FASHION GRAIN	83.00		84.75
3/8" DURASAN	179.50		178.25
1/2" DURASAN	185.50		184.00
5/8" F/S DURASAN	219.25		218.50
1/2" WR BOARD	86.50		85.25
1" CORESBOARD	108.00		106.00
3/8" GYPSUM LATH	34.50		33.75
1/2" GYPSUM LATH	39.50		38.75

1) THE STATE OF NEW YORK EXCEPT COUNTIES OF:
BRONX, DUTCHESS, KINGS, NASSAU, NEW YORK, ORANGE, PUTNAM, QUEENS, RICHMOND, ROCKLAND, SUFFOLK, SULLIVAN, ULSTER, WESTCHESTER

2) STATE OF PENNSYLVANIA EXCEPT COUNTIES OF:
ADAMS, ALLEGHENY, ARMSTRONG, BEAVER, BEDFORD, BUCKS, BUTLER, CHESTER, CLARION, CLEARFIELD, CUMBERLAND, DAUPHIN, DELAWARE, ELK, FAYETTE, FOREST, FRANKLIN, GREENE, INDIANA, JEFFERSON, LANCASTER, LAWRENCE, LEBANON, LEHIGH, MERCER, MONTGOMERY, NORTHAMPTON, PERRY, PHILADELPHIA, YORK, WASHINGTON, WESTMORELAND, YORK

GYPSUM BACKER BOARD, LONG LENGTH LATH AND/OR RAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708010

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

II (11) 376

ON JUNE 1, 1968, WE ANNOUNCED A PRICE INCREASE ON GYPSUM BOARD MACHINE PRODUCTS TO BE EFFECTIVE ON AUGUST 1, 1968. SUBSEQUENTLY, THROUGH VERBAL NOTICE BY OUR SALES REPRESENTATIVES, THIS EFFECTIVE DATE WAS POSTPONED TO REMAIN COMPETITIVE.

THE INCREASED PRICES, ORIGINALLY ANNOUNCED, WILL BECOME EFFECTIVE SEPTEMBER 16, 1968. THESE PRICES ARE REPEATED BELOW FOR YOUR CONVENIENCE.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	40T BOX CAR 36T FLAT CAR	40T BOX CAR* 40T FLAT CAR
1/4" WALLBOARD	$ 42.00	$ 41.00	$ 40.00
3/8" WALLBOARD	46.00	45.00	44.00
1/2" WALLBOARD	52.00	51.00	50.00
5/8" WALLBOARD	60.25	59.25	58.25
1/2" F/S WALLBOARD	59.50	58.50	57.50
5/8" F/S WALLBOARD	68.25	68.25	67.25
1/2" GYPSUM SHEATHING	45.00	44.00	43.00
3/8" FASHION GRAIN	85.50	84.50	83.50
3/8" DURASAN	186.00	185.00	184.00
1/2" DURASAN	192.00	191.00	190.00
5/8" F/S DURASAN	219.25	218.25	217.25
1/2" WR BOARD	90.00	89.00	88.00
1" CORESBOARD	113.50	111.50	109.50
3/8" GYPSUM LATH	37.00	36.00	35.00
1/2" GYPSUM LATH	42.00	41.00	40.00

* APPLIES ONLY IN STRAIGHT CARLOADS OF BOARD MACHINE PRODUCTS

THE STATE OF ILLINOIS EXCEPT THE COUNTIES OF:
LAKE, PORTER

THE STATE OF MICHIGAN EXCEPT THE COUNTIES OF:
ADRIAN, ALLEGAN, BARRY, BERRIEN, BRANCH, CALHOUN, CASS, CLINTON, EATON, FULTON, GENESEE, GRATIOT, HILLSDALE, INGHAM, IONIA, JACKSON, KALAMAZOO, KENT, LAPEER, LENAWEE, LIVINGSTON, MACOMB, MONROE, MUSKEGON, OAKLAND, OCEANA, OTSEGO, OTTAWA, PRESQUE ISLE, ROSCOMMON, SAGINAW, ST. CLAIR, ST. JOSEPH, SANILAC, SHIAWASSEE, TUSCOLA, VAN BUREN, WASHTENAW, WAYNE

THE STATE OF WEST VIRGINIA EXCEPT THE COUNTIES OF:
BERKELEY, BROOKE, DODDRIDGE, GRANT, HANCOCK, HARDY, JEFFERSON, MARSHALL, MINERAL, MORGAN, OHIO, WETZEL

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE FROM THE PLANT TO THE FINAL DESTINATION. A STOPOVER CHARGE OF $2.50 WILL BE ABSORBED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY NG 708011

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

EX (22) 277

TO: OUR DEALERS IN THE AREA LISTED BELOW

ON JUNE 1, 1968, WE ANNOUNCED A PRICE INCREASE ON GYPSUM BOARD MACHINE PRODUCTS TO BE EFFECTIVE ON AUGUST 1, 1968. SUBSEQUENTLY, THROUGH VERBAL NOTICE BY OUR SALES REPRESENTATIVES, THIS EFFECTIVE DATE WAS POSTPONED TO REMAIN COMPETITIVE.

THE INCREASED PRICES, ORIGINALLY ANNOUNCED, WILL BECOME EFFECTIVE SEPTEMBER 16, 1968. THESE PRICES ARE RESTATED BELOW FOR YOUR CONVENIENCE.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To destinations in the KENTUCKY counties of:	SHIPPED IN MINIMUM	HOT TRUCKS	30-HOT BOX CAR HOT FLAT CAR	HOT BOX CAR* HOT FLAT CAR
Adair, Allen, Barren, Casey, Clinton, Cumberland, Edmonson, Green, Hart, Knox, Laurel, Logan, McCreary, Metcalfe, Monroe, Pulaski, Russell, Simpson, Taylor, Warren, Wayne, Whitley	1/4" Wallboard	$ 41.00		$ 40.00
	3/8" Wallboard	45.00		44.00
	1/2" Wallboard	51.00		50.00
	5/8" Wallboard	59.85		58.85
	1/2" F/S Wallboard	58.50		57.50
	5/8" F/S Wallboard	68.85		67.85
	1/2" Gypsum Sheathing	44.00		43.00
	3/8" Fashion Grain	84.50		83.50
	3/8" Duraban	185.00		184.00
	1/2" Duraban	191.00		190.00
	5/8" F/S Duraban	878.85		877.85
	1/2" HR Board	89.00		88.00
	1" Coreboard	111.50		109.50
	3/8" Gypsum Lath	36.00		35.00
	1/2" Gypsum Lath	41.00		40.00

* APPLIED ONLY ON STRAIGHT CARLOADS OF BOARD MACHINE PRODUCTS

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE FROM THE SHIPPING PLANT TO THE FINAL DESTINATION. A STOPOVER CHARGE OF $4.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% ORDER 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 008012

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATE JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

EX (22) 278

TO: OUR DEALERS IN THE AREA LISTED BELOW

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALES SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% AMOUNT 20TH PROX, NET 10TH SECD, O PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To destinations in the PENNSYLVANIA counties of:	SHIPPED IN MINIMUM	HOT TRUCKS	30-HOT BOX CAR 90-HOT FLAT CAR
Allegheny, Armstrong, Beaver, Butler, Clarion, Clearfield, Elk, Fayette, Forest, Greene, Indiana, Jefferson, Venango, Washington, Westmoreland	1/4" Wallboard		$38.75
	3/8" Wallboard		48.50
	1/2" Wallboard		48.85
	5/8" Wallboard		56.85
	1/2" F/S Wallboard		55.50
	5/8" F/S Wallboard		65.00
	1/2" Gypsum Sheathing		41.50
	3/8" Fashion Grain		80.75
	3/8" Duraban		178.65
	1/2" Duraban		184.00
	5/8" F/S Duraban		810.50
	1/2" HR Board		85.85
	1" Coreboard		106.00
	3/8" Gypsum Lath		33.75
	1/2" Gypsum Lath		38.75

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE FROM THE SHIPPING PLANT TO THE FINAL DESTINATION. A STOPOVER CHARGE OF $4.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% ORDER 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708013

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BULLETIN 279

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in the OHIO counties of:

CHAMPAIGN
CLARK
DARKE
FAYETTE
GREEN
MADISON
MIAMI
MONTGOMERY
PICKAWAY
PIKE
PREBLE
ROSS
SCIOTO AND THE
CITIES OF CARLISLE AND
FRANKLIN IN WARREN
COUNTY

PRICES PER M S F		
SHIPPED IN MINIMUM	20T TRUCK	30-40T BOX CAR 35-45T FLAT CAR
1/4" Wallboard	$ 40.00	
3/8" Wallboard	44.00	
1/2" Wallboard	50.00	
5/8" Wallboard	58.25	
1/2" F/S Wallboard	57.50	
5/8" F/S Wallboard	67.25	
1/2" Gypsum Sheathing	43.00	
3/8" Fashion Grain	83.50	
3/8" Dunbar	184.00	
1/2" Dunbar	190.00	
5/8" F/S Dunbar	217.25	
1/2" MR Board	80.00	
1" Coreboard	109.50	
3/8" Gypsum Lath	35.00	
1/2" Gypsum Lath	40.00	

Gypsum Backer Boards, long length lath and/or Sal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product with foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $3.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% Gross 30th Prox., Net 10th second Prox. Shipments on and after the twenty-fifth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708014

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BULLETIN 280

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the goods passed to the customer upon delivery to the carrier.

To destinations in the OHIO counties of:

ALLEN	HARRISON	OTTAWA
ASHLAND	HENRY	PAULDING
ASHTABULA	HOCKING	PERRY
AUGLAIZE	HOLMES	PORTAGE
BELMONT	HURON	PUTNAM
CARROLL	JEFFERSON	RICHLAND
COLUMBIANA	KNOX	SANDUSKY
CONNEAUT	LAKE	SENECA
CRAWFORD	LICKING	SHELBY
CUYAHOGA	LOGAN	STARK
DEFIANCE	LORAIN	SUMMIT
DELAWARE	LUCAS	TRUMBULL
ERIE	MAHONING	TUSCARAWAS
FAIRFIELD	MARION	UNION
FRANKLIN	MEDINA	VAN WERT
FULTON	MERCER	WAYNE
GEAUGA	MORGAN	WILLIAMS
GUERNSEY	MORROW	WOOD
HANCOCK	MUSKINGUM	WYANDOT
HARDIN	NOBLE	

PRICES PER M S F		
SHIPPED IN MINIMUM	20T TRUCK	30-40T BOX CAR 35-45T FLAT CAR
1/4" Wallboard	$ 41.00	$ 40.00
3/8" Wallboard	45.00	44.00
1/2" Wallboard	51.00	50.00
5/8" Wallboard	59.25	58.25
1/2" F/S Wallboard	58.50	57.50
5/8" F/S Wallboard	68.25	67.25
1/2" Gypsum Sheathing	44.00	43.00
3/8" Fashion Grain	84.50	83.50
3/8" Dunbar	185.00	184.00
1/2" Dunbar	191.00	190.00
5/8" F/S Dunbar	218.25	217.25
1/2" MR Board	86.00	80.00
1" Coreboard	111.50	109.50
3/8" Gypsum Lath	36.00	35.00
1/2" Gypsum Lath	41.00	40.00

Gypsum Backer Boards, long length lath and/or Sal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop must be equal to one half of the published minimums, as per above. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $4.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% Gross Prox., Net 10th second Prox. Shipments on and after the twenty-fifth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708015

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (12) 291

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are FOB shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in WEST VIRGINIA counties of:

Berkeley
Jefferson
Morgan
Ohio

PRICES PER MSF

Shipped in Minimum	20T Truck	30-50-60T Box Car 35-60T Flat Car
1/4" Wallboard	$ 41.00	$ 40.00
3/8" Wallboard	45.00	44.00
1/2" Wallboard	51.00	50.00
5/8" Wallboard	59.05	58.05
1/2" F/R Wallboard	58.50	57.50
5/8" F/R Wallboard	68.05	67.05
1/2" Gypsum Sheathing	44.00	43.00
3/8" Fashion Grain	84.50	83.50
3/8" Dunrock	185.00	184.00
1/2" Dunrock	191.00	190.00
5/8" F/R Dunrock	218.05	217.05
1/2" MR Board	89.00	88.00
1" Coreboard	111.50	109.50
3/8" Gypsum Lath	36.00	35.00
1/2" Gypsum Lath	41.00	40.00

Gypsum Backer Boards, Long Length Lath and/or Sal Rose Board will be priced at $1.50/MSF below the Published Price of an Equal Thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be Priced at $15.00/MSF over the Published Price of the Base Products without Foil.

You can participate in stripped truck delivery, minimum stop 10 tons. The stopped point must be on a direct route from the shipping plant to the final destination. A stopover charge of $3.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% 10th Prox, net 10th second Prox. Shipments on and after the twentieth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 709016

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (12) 292

This notice cancels and supercedes our price bulletin of June 1, 1968 in which we announced new prices of Gypsum Board Machine Products to become effective August 1, 1968.

To meet the prices and terms of sale subsequently announced by other manufacturers, we are revising our prices and terms as follows, to be competitive effective with all shipments made on and after September 16, 1968.

Effective with this revision, cash discount terms will be 2% gross 20th prox, net 10th second prox. Shipments on and after the 21st of each month may be considered as billing in the following month.

Prices are FOB shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in the WEST VIRGINIA counties of:

Berkeley
Jefferson
Morgan

PRICES PER MSF

Shipped in Minimum	20T Truck	30-50-60T Box Car 35-60T Flat Car
1/4" Wallboard	$ 40.25	$ 39.75
3/8" Wallboard	44.75	43.50
1/2" Wallboard	51.25	49.25
5/8" Wallboard	60.00	58.25
1/2" F/R Wallboard	58.75	55.75
5/8" F/R Wallboard	68.75	65.00
1/2" Gypsum Sheathing	43.50	41.50
3/8" Fashion Grain	83.00	80.75
3/8" Dunrock	181.25	178.25
1/2" Dunrock	187.00	184.00
5/8" F/R Dunrock	214.25	210.50
1/2" MR Board	88.25	85.25
1" Coreboard	112.00	108.00
3/8" Gypsum Lath	36.00	33.75
1/2" Gypsum Lath	41.75	38.75

Gypsum Backer Boards, Long Length Lath and/or Sal Rose Board will be priced at $1.50/MSF below the Published Price of an Equal Thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be Priced at $15.00/MSF over the Published Price of the Base Product without Foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th Prox, net 10th second Prox. Shipments on and after the twentieth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 709017

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

BX (105) 283

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in the West Virginia counties of:

Grant
Hampshire
Hardy
Mineral

PRICES PER MSF

SHIPPED IN MINIMUM	15T TRUCK	20-30T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 41.00		$ 40.00
3/8" Wallboard	45.00		44.00
1/2" Wallboard	51.00		50.00
5/8" Wallboard	59.25		58.25
1/2" F/S Wallboard	58.50		57.50
5/8" F/S Wallboard	68.25		67.25
1/2" Gypsum Sheathing	44.00		43.00
3/8" Fashion Grain	84.50		83.50
3/8" Duraban	185.00		184.00
1/2" Duraban	191.00		190.00
5/8" F/S Duraban	218.25		217.25
1/2" MR Board	89.00		88.00
1" Coreboard	111.50		109.50
3/8" Gypsum Lath	36.00		35.00
1/2" Gypsum Lath	41.00		40.00

* Applies only in straight carloads of gypsum board machine products

Gypsum Backer Boards, long length lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-fifth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708018

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

BX (106) 284

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

This notice cancels and supercedes our price bulletin of June 1, 1968 in which we announced new prices of Gypsum Board Machine Products to become effective August 1, 1968.

To meet the prices and terms of sale subsequently announced by other manufacturers, we are revising our prices and terms as follows, to be competitive effective with all shipments made on and after September 16, 1968.

Effective with this revision, cash discount terms will be 2% gross 20th prox, net 10th second prox. Shipments on and after the 21st of each month may be considered as billing in the following month.

Prices are FOB shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destination in the Maryland counties of:

Allegany
Garrett

PRICES PER MSF

SHIPPED IN MINIMUM	10T TRUCK	20T TRUCK	30-40T BOX CAR 35-45T FLAT CAR
1/4" Wallboard	$ 40.25		$ 38.75
3/8" Wallboard	44.75		42.50
1/2" Wallboard	57.25		48.25
5/8" Wallboard	60.00		56.25
1/2" F/S Wallboard	58.75		55.75
5/8" F/S Wallboard	68.75		65.00
1/2" Gypsum Sheathing	44.50		41.50
3/8" Fashion Grain	83.00		80.75
3/8" Duraban	181.50		178.25
1/2" Duraban	187.00		184.00
5/8" F/S Duraban	214.25		210.50
1/2" MR Board	88.25		85.25
1" Coreboard	112.00		106.00
3/8" Gypsum Lath	36.00		33.75
1/2" Gypsum Lath	41.75		38.75

Gypsum Backer Boards, long length lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708019

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14303

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DA (.) 285

This notice cancels and supercedes our price bulletin of June 1, 1968 in which we announced new prices of Gypsum Board Machine Products to become effective August 1, 1968.

To meet the prices and terms of sale subsequently announced by other manufacturers, we are revising our prices and terms as follows, to be competitive effective with all shipments made on and after September 16, 1968.

Effective with this revision, cash discount terms will be 2% gross 20th prox, net 10th second prox. Shipments on and after the 21st of each month may be considered a billing in the following month.

Prices are FOB shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in

The State of Virginia EXCEPT the counties of:

Accomack	James City	Shenandoah
Arlington	Loudoun	Southampton
Clarke	Nansemond	Stafford
Fairfax	Norfolk	Warren
Fauquier	Northampton	Washington
Frederick	Princess Anne	York
Isle of Wight	Prince William	

And EXCLUDING the independent cities of:

Alexandria	Hampton
Bristol	Hopewell
Charlottesville	Newport News
Chesapeake	Norfolk
Danville	Portsmouth
Fairfax	Suffolk
Falls Church	Virginia Beach
Fort Monroe	Williamsburg
Fredericksburg	Winchester

And excluding the City of Crozet in Albemarle County.

The State of Kentucky counties of:
Bell
Harlan
Letcher

PRICES PER M S F

SHIPPED IN MINIMUM	20T THICK 20T BOX CAR	30T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR*
1/4" Wallboard	$40.50	$39.75	$38.75
3/8" Wallboard	44.50	43.50	42.50
1/2" Wallboard	50.25	49.25	48.25
5/8" Wallboard	58.25	57.25	56.25
1/2" F/S Wallboard	57.50	56.50	55.75
5/8" F/S Wallboard	67.00	66.00	65.00
1/2" Gypsum Sheathing	43.50	42.50	41.50
3/8" Fashion Grain	82.75	81.75	80.75
3/8" Duraban	180.25	179.25	178.25
1/2" Duraban	186.00	185.00	184.00
5/8" F/S Duraban	212.50	211.50	210.50
1/2" HR Board	87.75	86.25	85.25
1" Coreboard	110.00	108.00	106.00
3/8" Gypsum Lath	35.75	34.75	33.75
1/2" Gypsum Lath	40.50	39.75	38.75

* Applies only in straight carloads of Gypsum Board Machine Products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $4.25 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708020

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14303

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DA (.) 286

This notice cancels and supercedes our price bulletin of June 1, 1968 in which we announced new prices of Gypsum Board Machine Products to become effective August 1, 1968.

To meet the prices and terms of sale subsequently announced by other manufacturers, we are revising our prices and terms as follows, to be competitive effective with all shipments made on and after September 16, 1968.

Effective with this revision, cash discount terms will be 2% gross 20th prox, net 10th prox. Shipments on and after the 21st of each month may be considered a billing in the following month.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in the

[illegible]

PRICES PER M S F

SHIPPED IN MINIMUM	20T TRUCK	30T BOX CAR 35T FLAT CAR
1/4" Wallboard	$ 38.75	
3/8" Wallboard	42.50	
1/2" Wallboard	48.25	
5/8" Wallboard	56.25	
1/2" F/S Wallboard	55.75	
5/8" F/S Wallboard	65.00	
1/2" Gypsum Sheathing	41.50	
3/8" Fashion Grain	80.75	
3/8" Duraban	178.25	
1/2" Duraban	184.00	
5/8" F/S Duraban	210.50	
1/2" HR Board	85.25	
1" Coreboard	106.00	
3/8" Gypsum Lath	33.75	
1/2" Gypsum Lath	38.75	

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $4.25 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708021

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD HOUSE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NG 287

THIS NOTICE CANCELS AND SUPERSEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD HOUSE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, OUR DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

TO DESTINATIONS IN THE FOLLOWING COUNTIES OF:

CLARKE
FREDERICK
RAPPAHANNOCK
WARREN

AND THE INDEPENDENT CITY OF:

WINCHESTER

PRICES PER M SF

SHIPPED IN MIXTURE	1/2" WALLBOARD	5/8" WALLBOARD	1/2" WALLBOARD	5/8" WALLBOARD	1/2" F/R WALLBOARD	5/8" F/R WALLBOARD	1/2" GYPSUM SHEATHING	5/8" FIBROUS GRIDS	3/8" DUROCK	1/2" DUROCK	5/8" F/R DUROCK	1/2" HB BOARD	1" CONCORD	3/8" GYPSUM LATH	1/2" GYPSUM LATH
1/2" WALLBOARD	$40.00														
5/8" WALLBOARD		44.75													
1/2" WALLBOARD			31.00												
5/8" WALLBOARD				50.00											
1/2" F/R WALLBOARD					38.75										
5/8" F/R WALLBOARD						45.75									
1/2" GYPSUM SHEATHING							44.50								
5/8" FIBROUS GRIDS								53.00							
3/8" DUROCK									101.00						
1/2" DUROCK										107.00					
5/8" F/R DUROCK											114.00				
1/2" HB BOARD												88.00			
1" CONCORD													113.00		
3/8" GYPSUM LATH														36.00	
1/2" GYPSUM LATH															41.75

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR EXL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS MADE ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708022

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD HOUSE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NG 288

ON JUNE 1, 1968, WE ANNOUNCED A PRICE INCREASE ON GYPSUM BOARD HOUSE PRODUCTS TO BE EFFECTIVE ON AUGUST 1, 1968. SUBSEQUENTLY, THROUGH VERBAL NOTICE BY OUR SALES REPRESENTATIVES, THIS EFFECTIVE DATE WAS POSTPONED TO REMAIN COMPETITIVE.

THE INCREASED PRICES, ORIGINALLY ANNOUNCED, WILL BECOME EFFECTIVE SEPTEMBER 16, 1968. THESE PRICES ARE REPEATED BELOW FOR YOUR CONSIDERANCE.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO THE MATERIAL PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

TO DESTINATIONS IN THE FOLLOWING COUNTIES OF:

LIVINGSTON
MACOMB
NEWAYGO EXCEPT THE PORTION SOUTH OF THE LINE INCLUDING OTTAWA LAKE, WHITEFORD CENTER, ST. ANTHONY, DANIELS AND COLEMAN GROVE
OAKLAND
MONTCALM
WAYNE

PRICES PER M SF

SHIPPED IN MIXTURE	1/2" WALLBOARD	5/8" WALLBOARD	1/2" WALLBOARD	5/8" WALLBOARD	1/2" F/R WALLBOARD	5/8" F/R WALLBOARD	1/2" GYPSUM SHEATHING	5/8" FIBROUS GRIDS	3/8" DUROCK	1/2" DUROCK	5/8" F/R DUROCK	1/2" HB BOARD	1" CONCORD	3/8" GYPSUM LATH	1/2" GYPSUM LATH
1/2" WALLBOARD	$ 40.00														
5/8" WALLBOARD		44.00													
1/2" WALLBOARD			31.00												
5/8" WALLBOARD				50.00											
1/2" F/R WALLBOARD					37.50										
5/8" F/R WALLBOARD						45.00									
1/2" GYPSUM SHEATHING							43.00								
5/8" FIBROUS GRIDS								53.00							
3/8" DUROCK									98.00						
1/2" DUROCK										104.00					
5/8" F/R DUROCK											111.00				
1/2" HB BOARD												88.00			
1" CONCORD													108.50		
3/8" GYPSUM LATH														35.00	
1/2" GYPSUM LATH															40.00

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR EXL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS MADE ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708023

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

IX (10) 299

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in Michigan County of Monroe - South of and including Ottawa Lake, Whiteford Center, St. Anthony, Dundee and Columbia Grove.

PRICES PER MSF

SHIPPED IN MICHIGAN	1ST TRUCK	2ND TRUCK	30-KOT BOX CAR 35-KOT FLAT CAR
1/4" Wallboard	$ 41.00		$ 40.00
3/8" Wallboard	45.00		44.00
1/2" Wallboard	51.00		50.00
5/8" Wallboard	59.05		58.05
1/2" F/R Wallboard	58.50		57.50
5/8" F/R Wallboard	68.05		67.05
1/2" Gypsum Sheathing	44.00		43.00
3/8" Fiberglass Lath	84.50		83.50
3/8" Sunbeam	185.00		184.00
1/2" Sunbeam	191.00		190.00
5/8" F/R Sunbeam	878.05		877.05
1/2" MR Board	89.00		88.00
1" Coreboard	111.50		105.50
3/8" Gypsum Lath	36.00		35.00
1/2" Gypsum Lath	41.00		40.00

Gypsum Backer Board, long length lath and/or sag rope Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ahead 20th Prox, net 10th second Prox, shipments made on and after the twenty-first of each month not be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708024

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

IX (10) 290

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Michigan counties of:

Alcona	Jackson
Arenac	Kalamazoo
Barry	Kent
Bay	Lapeer
Berrien	Lenawee
Branch	Macomb
Calhoun	Midland
Cass	Montcalm
Clinton	Muskegon
Eaton	Newaygo
Genesee	Oceana
Gratiot	Ogemaw
Hillsdale	Ontonagon
Huron	Osceola
Ingham	Oscoda
Ionia	Otsego
Iosco	Presque Isle
Isabella	Roscommon

PRICES PER MSF

SHIPPED IN MICHIGAN	1ST TRUCK	30-KOT BOX CAR 35-KOT FLAT CAR
1/4" Wallboard	$ 42.00	
3/8" Wallboard	46.00	
1/2" Wallboard	52.00	
5/8" Wallboard	60.05	
1/2" F/R Wallboard	59.50	
5/8" F/R Wallboard	69.05	
1/2" Gypsum Sheathing	45.00	
3/8" Fiberglass Lath	85.50	
3/8" Sunbeam	186.00	
1/2" Sunbeam	192.00	
5/8" F/R Sunbeam	879.05	
1/2" MR Board	90.00	
1" Coreboard	112.50	
3/8" Gypsum Lath	37.00	
1/2" Gypsum Lath	42.00	

Gypsum Backer Board, long length lath and/or sag rope Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 12-1/2 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ahead 20th Prox, net 10th second Prox, shipments made on and after the twenty-first of each month not be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708025

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NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

IX (13) 291

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Illinois counties of

Boone
Bureau
Carroll
DeKalb
Grundy
Henry
Kendall
LaSalle
Lee
Mercer
Ogle
Putnam
Stephenson
Whiteside
Winnebago

PRICES PER MSF

Shipped in minimum	Any truck	Any box car	Not box car 45T flat car	Not box car/ 45T flat car
1/2" Wallboard	$ 43.00	$ 42.00	$ 41.00	$ 40.00
3/8" Wallboard	47.00	46.00	45.00	44.00
1/2" Wallboard	53.00	52.00	51.00	50.00
5/8" Wallboard	61.85	60.85	59.85	58.85
1/2" F/S Wallboard	60.50	59.50	58.50	57.50
5/8" F/S Wallboard	70.85	69.85	68.85	67.85
1/2" Gypsum Sheathing	46.00	45.00	44.00	43.00
3/8" Fabrikoid Gauge	86.50	85.50	84.50	83.50
3/8" Durabar	187.00	186.00	185.00	184.00
1/2" Durabar	193.00	192.00	191.00	190.00
5/8" F/S Durabar	820.85	819.85	818.85	817.85
1/2" HR Board	91.00	90.00	89.00	88.00
1" Coreboard	115.50	113.50	111.50	109.50
3/8" Gypsum Lath	38.00	37.00	36.00	35.00
1/2" Gypsum Lath	43.00	42.00	41.00	40.00

* Applies only in straight carloads of Gypsum Board Machine Products

Gypsum Backed Boards, Long Length Lath and/or Rok Rock Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons, the stopover point must be on a direct route from the plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% under 20th prox, net 10th second prox, shipments made on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708026

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NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

IX (13) 292

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in

1) The Indiana counties of

Lake
Porter

2) The Illinois counties of

Cook
DuPage
Kane
Lake
Will

PRICES PER MSF

Shipped in minimum	Any truck	Not box car 45T flat car	Not box car/ 45T flat car
1/2" Wallboard	$ 42.70	$ 41.00	$ 40.00
3/8" Wallboard	47.05	45.00	44.00
1/2" Wallboard	53.35	51.00	50.00
5/8" Wallboard	62.00	59.85	58.85
1/2" F/S Wallboard	60.85	58.50	57.50
5/8" F/S Wallboard	71.00	68.85	67.85
1/2" Gypsum Sheathing	46.35	44.00	43.00
3/8" Fabrikoid Gauge	86.95	84.50	83.50
3/8" Durabar	187.05	185.00	184.00
1/2" Durabar	193.35	191.00	190.00
5/8" F/S Durabar	820.60	818.85	817.85
1/2" HR Board	91.35	89.00	88.00
1" Coreboard	116.80	111.50	109.50
3/8" Gypsum Lath	38.05	36.00	35.00
1/2" Gypsum Lath	43.35	41.00	40.00

* Applies only in straight carloads of Gypsum Board Machine Products

Gypsum Backed Boards, Long Length Lath and/or Rok Rock Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% under 20th prox, net 10th second prox, shipments made on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708027

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

GA (.3) 293

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Illinois counties of:

Adams	Macon
Brown	Macoupin
Cass	Marshall
Champaign	Mason
Christian	Mc Donough
Clark	Mc Lean
Coles	Menard
Cumberland	Montgomery
Dewitt	Morgan
Douglas	Moultrie
Edgar	Peoria
Ford	Piatt
Fulton	Pike
Greene	Sangamon
Hancock	Schuyler
Henderson	Scott
Iroquois	Shelby
Jo Daviess	Stark
Kankakee	Tazewell
Knox	Vermillion
Livingston	Warren
Logan	Woodford

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	20T BOX CAR 45T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 48.00	$ 41.00	$ 40.00
3/8" Wallboard	46.00	45.00	44.00
1/2" Wallboard	58.00	51.00	50.00
5/8" Wallboard	60.25	59.25	58.25
1/2" F/B Wallboard	59.50	58.50	57.50
5/8" F/B Wallboard	69.25	68.25	67.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	85.50	84.50	83.50
3/8" Durabar	186.00	185.00	184.00
1/2" Durabar	192.00	191.00	190.00
5/8" F/B Durabar	219.25	218.25	217.25
1/2" HR Board	90.00	89.00	88.00
1" Coreboard	113.50	111.50	109.50
3/8" Gypsum Lath	37.00	36.00	35.00
1/2" Gypsum Lath	42.00	41.00	40.00

* Applies only in straight carloads of gypsum board machine products

Gypsum Backer Boards, long length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% Cross 20th Prox., Net 10th Second Prox. Shipments made on and after the twenty-eighth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708028

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

GA (.3) 294

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Wisconsin counties of:

Kenosha
Milwaukee
Ozaukee
Racine
Washington
Waukesha

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK	20T BOX CAR 45T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 48.50	$ 41.00	$ 40.00
3/8" Wallboard	47.00	45.00	44.00
1/2" Wallboard	53.50	51.00	50.00
5/8" Wallboard	61.75	59.25	58.25
1/2" F/B Wallboard	61.00	58.50	57.50
5/8" F/B Wallboard	70.75	68.25	67.25
1/2" Gypsum Sheathing	46.00	44.00	43.00
3/8" Fashion Grain	88.50	84.50	83.50
3/8" Durabar	187.00	185.00	184.00
1/2" Durabar	193.50	191.00	190.00
5/8" F/B Durabar	220.75	218.25	217.25
1/2" HR Board	91.50	89.00	88.00
1" Coreboard	116.50	111.50	109.50
3/8" Gypsum Lath	38.00	36.00	35.00
1/2" Gypsum Lath	43.50	41.00	40.00

* Applies only in straight carloads of gypsum board machine products

Gypsum Backer Boards, long length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% Cross 20th Prox., Net 10th Second Prox., Shipments on and after the twenty-eighth of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708029

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

MW 295

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passed to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	SET TRUCK SET BOX CAR	NET BOX CAR SET FLAT CAR	NET BOX CAR NET FLAT CAR
1/4" Wallboard	$ 42.00	$ 41.00	$ 40.00
3/8" Wallboard	46.00	45.00	44.00
1/2" Wallboard	52.00	51.00	50.00
5/8" Wallboard	60.25	59.25	58.25
1/2" F/S Wallboard	59.50	58.50	57.50
5/8" F/S Wallboard	69.25	68.25	67.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	86.50	84.50	83.50
3/8" Durabar	186.00	185.00	183.00
1/2" Durabar	192.00	191.00	190.00
5/8" F/S Durabar	219.25	218.25	217.25
1/2" MR Board	90.00	89.00	88.00
1" Coreboard	113.50	111.50	109.50
3/8" Gypsum Lath	37.00	36.00	35.00
1/2" Gypsum Lath	42.00	41.00	40.00

To destinations in

Minnesota counties of

Anoka	Jackson	Redwood
Blue Earth	Lac Qui Parle	Renville
Brown	Le Sueur	Rice
Carver	Lincoln	Rock
Chippewa	Lyon	Scott
Cottonwood	Martin	Sibley
Dakota	Mc Leod	Steele
Dodge	Meeker	Wabasha
Faribault	Murray	Waseca
Fillmore	Nicollet	Washington
Freeborn	Nobles	Watonwan
Goodhue	Olmsted	Winona
Hennepin	Pipestone	Yellow Medicine
Houston	Ramsey	

and the cities of Delano and Rockford in Wright County

Wisconsin counties of

Adams	Iowa	Portage
Brown	Jefferson	Richland
Calumet	Juneau	Rock
Columbia	Kewaunee	Sauk
Crawford	La Crosse	Sheboygan
Dane	Lafayette	Sheboygan
Dodge	Manitowoc	Vernon
Door	Marathon	Walworth
Fond Du Lac	Marquette	Waupaca
Grant	Menominee	Waushara
Green	Monroe	Winnebago
Green Lake	Outagamie	Wood

Gypsum Backer Board®, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulation (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% cross 20th prox., net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 709030

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

MW 296

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passed to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	SET TRUCK	NET BOX CAR NET FLAT CAR
1/4" Wallboard	$ 40.00	
3/8" Wallboard	44.00	
1/2" Wallboard	50.00	
5/8" Wallboard	58.25	
1/2" F/S Wallboard	57.50	
5/8" F/S Wallboard	67.25	
1/2" Gypsum Sheathing	43.00	
3/8" Fashion Grain	83.50	
3/8" Durabar	184.00	
1/2" Durabar	190.00	
5/8" F/S Durabar	217.25	
1/2" MR Board	88.00	
1" Coreboard	109.50	
3/8" Gypsum Lath	35.00	
1/2" Gypsum Lath	40.00	

To destinations in the Illinois County of

Rock Island

Gypsum Backer Board®, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% cross 20th prox., net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 709031

NATIONAL GYPSUM CO. PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (USG) 297

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the goods passed to the customer upon delivery to the carrier.

PRICES PER MSF

To destinations in the Nebraska counties of

Douglas
Sarpy

SHIPPED IN MINIMUM	20T TRUCK	30-40T BOX CAR 35-45T FLAT CAR
1/4" Wallboard	$ 40.00	
3/8" Wallboard	44.00	
1/2" Wallboard	50.00	
5/8" Wallboard	58.25	
1/2" F/S Wallboard	57.50	
5/8" F/S Wallboard	67.25	
1/2" Gypsum Sheathing	43.00	
3/8" Fashion Grain	83.50	
3/8" Duraban	184.00	
1/2" Duraban	190.00	
5/8" F/S Duraban	217.25	
1/2" HR Board	88.00	
1" Coreboard	109.50	
3/8" Gypsum Lath	35.00	
1/2" Gypsum Lath	40.00	

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $10.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox., net 10th second prox., shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 768032

NATIONAL GYPSUM CO. PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (USG) 298

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passed to the customer upon delivery to the carrier.

PRICES PER MSF

To destinations in

1) The State of Nebraska EXCEPT the counties of:

Banner, Box Butte, Cheyenne, Dawes, Deuel, Douglas, Garden, Kimball, Morrill, Sarpy, Scotts Bluff, Sheridan, Sioux

2) The State of South Dakota EXCEPT the counties of:

Butte, Custer, Fall River, Harding, Lawrence, Meade, Pennington, Perkins, Shannon

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	30T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 42.00	$ 41.00	$ 40.00
3/8" Wallboard	46.00	45.00	44.00
1/2" Wallboard	52.00	51.00	50.00
5/8" Wallboard	60.25	59.25	58.25
1/2" F/S Wallboard	59.50	58.50	57.50
5/8" F/S Wallboard	69.25	68.25	67.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	85.50	84.50	83.50
3/8" Duraban	186.00	185.00	184.00
1/2" Duraban	192.00	191.00	190.00
5/8" F/S Duraban	219.25	218.25	217.25
1/2" HR Board	90.00	89.00	88.00
1" Coreboard	113.50	111.50	109.50
3/8" Gypsum Lath	37.00	36.00	35.00
1/2" Gypsum Lath	42.00	41.00	40.00

* Applies only in straight carloads of gypsum board machine products.

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $10.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox., net 10th second prox., shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 768033

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

(B) 299

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Nebraska Counties of:

Banner
Cheyenne
Deuel
Garden
Kimball
Morrill
Scotts Bluff

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	30T BOX CAR 45T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 42.50	$ 41.00	$ 40.00
3/8" Wallboard	46.50	45.00	44.00
1/2" Wallboard	52.50	51.00	50.00
5/8" Wallboard	60.75	59.25	58.25
1/2" F/S Wallboard	60.00	58.50	57.50
5/8" F/S Wallboard	69.75	68.25	67.25
1/2" Gypsum Sheathing	45.50	44.00	43.00
3/8" Fashion Grain	86.00	84.50	83.50
3/8" Duraban	186.50	185.00	184.00
1/2" Duraban	192.50	191.00	190.00
5/8" F/S Duraban	219.75	218.25	217.25
1/2" MR Board	90.50	89.00	88.00
1" Coreboard	113.50	111.50	109.50
3/8" Gypsum Lath	37.50	36.00	35.00
1/2" Gypsum Lath	42.50	41.00	40.00

*Applies only in straight carloads of gypsum board machine products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% 60DDS 20th Prox, net 10th second Prox., shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708034

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

(B) 300

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Nebraska Counties of:

Box Butte
Dawes
Sheridan
Sioux

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	30T BOX CAR 45T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 42.00	$ 41.00	$ 40.00
3/8" Wallboard	46.00	45.00	44.00
1/2" Wallboard	52.00	51.00	50.00
5/8" Wallboard	60.25	59.25	58.25
1/2" F/S Wallboard	59.50	58.50	57.50
5/8" F/S Wallboard	69.25	68.25	67.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	85.50	84.50	83.50
3/8" Duraban	186.00	185.00	184.00
1/2" Duraban	192.00	191.00	190.00
5/8" F/S Duraban	219.25	218.25	217.25
1/2" MR Board	90.00	89.00	88.00
1" Coreboard	113.50	111.50	109.50
3/8" Gypsum Lath	37.00	36.00	35.00
1/2" Gypsum Lath	42.00	41.00	40.00

* Applies only on straight carloads of Gypsum Board Machine Products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% 60DDS 20th Prox, net 10th second Prox., shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708035

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (1/2) 301

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the South Dakota Counties of

Butte
Custer
Fall River
Harding
Lawrence
Meade
Pennington
Perkins
Shannon

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK	80T BOX CAR	80T BOX CAR/ 50T FLAT CAR	40T BOX CAR* 40T FLAT CAR
1/4" Wallboard	$ 42.50	$ 42.00	$ 41.00	$ 40.00
3/8" Wallboard	46.50	46.00	45.00	44.00
1/2" Wallboard	52.50	52.00	51.00	50.00
5/8" Wallboard	60.75	60.25	59.25	58.25
1/2" F/S Wallboard	60.00	59.50	58.50	57.50
5/8" F/S Wallboard	69.75	69.25	68.25	67.25
1/2" Gypsum Sheathing	45.50	45.00	44.00	43.00
3/8" Fashion Grain	86.00	85.50	84.50	83.50
3/8" Duraban	186.50	186.00	185.00	184.00
1/2" Duraban	192.50	192.00	191.00	190.00
5/8" F/S Duraban	219.75	219.25	218.25	217.25
1/2" MR Board	90.50	90.00	89.00	88.00
1" Coreboard	114.50	113.50	111.50	109.50
3/8" Gypsum Lath	37.50	37.00	36.00	35.00
1/2" Gypsum Lath	42.50	42.00	41.00	40.00

* Applies only in straight carloads of Gypsum Board Machine Products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $10.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ground 20th prox, net 10th second prox, shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708036

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (1/2) 302

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Entire State of Iowa

PRICES PER MSF

SHIPPED IN MINIMUM	1ST TRUCK	80T BOX CAR 50T FLAT CAR	80T BOX CAR 40T FLAT CAR
1/4" Wallboard		$ 40.00	
3/8" Wallboard		44.00	
1/2" Wallboard		50.00	
5/8" Wallboard		58.25	
1/2" F/S Wallboard		57.50	
5/8" F/S Wallboard		67.25	
1/2" Gypsum Sheathing		43.00	
3/8" Fashion Grain		83.50	
3/8" Duraban		184.00	
1/2" Duraban		190.00	
5/8" F/S Duraban		217.25	
1/2" MR Board		88.00	
1" Coreboard		109.50	
3/8" Gypsum Lath		35.00	
1/2" Gypsum Lath		40.00	

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 7-1/2 tons. The stopover point must be on a direct route from the plant to the final destination. A stopover charge of $5.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ground 20th prox, net 10th second prox, shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708037

NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

LIX (13) 303

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	10T TRUCK	15T TRUCK	30-40T FLAT OR 20T TRUCK
1/4" WALLBOARD	$ 40.50	$ 39.50	$ 39.50
3/8" WALLBOARD	44.40	43.40	43.25
1/2" WALLBOARD	50.20	49.25	49.00
5/8" WALLBOARD	58.20	57.25	57.00
1/2" F/S WALLBOARD	57.50	56.50	56.25
5/8" F/S WALLBOARD	67.00	66.00	65.75
1/2" GYPSUM SHEATHING	42.70	41.75	41.50
3/8" FASHION GRAIN	83.75	82.90	81.50
3/8" DURABAR	180.00	179.30	179.00
1/2" DURABAR	186.00	185.05	184.75
5/8" F/S DURABAR	215.00	211.50	211.25
1/2" MR BOARD	87.05	86.10	86.00
1" CORKBOARD	109.60	107.50	107.00
3/8" GYPSUM LATH	35.65	34.70	34.50
1/2" GYPSUM LATH	40.50	39.50	39.50

TO DESTINATIONS IN

ENTIRE STATES OF
CONNECTICUT
NEW JERSEY

NEW YORK COUNTIES OF:

BRONX	QUEENS
DUTCHESS	RICHMOND
KINGS	ROCKLAND
NASSAU	SUFFOLK
NEW YORK	SULLIVAN
ORANGE	ULSTER
PUTNAM	WESTCHESTER

PENNSYLVANIA COUNTIES OF:

BUCKS	MONTGOMERY
CHESTER	PHILADELPHIA
DELAWARE	

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708038

NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16,1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

LIX (13) 304

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	10T TRUCK	15T TRUCK	30-40T BOX CAR OR 30-40T FLAT CAR
1/4" WALLBOARD	$40.50	$39.50	$39.50
3/8" WALLBOARD	44.40	43.40	43.25
1/2" WALLBOARD	51.20	49.25	49.00
5/8" WALLBOARD	59.70	57.25	57.00
1/2" F/S WALLBOARD	58.50	56.50	56.25
5/8" F/S WALLBOARD	68.40	66.00	65.75
1/2" GYPSUM SHEATHING	43.70	41.70	41.50
3/8" FASHION GRAIN	83.75	82.90	81.50
3/8" DURABAR	180.70	179.15	179.00
1/2" DURABAR	187.00	185.00	184.75
5/8" F/S DURABAR	215.00	211.50	211.25
1/2" MR BOARD	88.05	86.10	86.00
1" CORKBOARD	111.60	107.70	107.50
3/8" GYPSUM LATH	36.80	34.70	34.50
1/2" GYPSUM LATH	41.50	39.50	39.50

TO DESTINATIONS IN

DELAWARE - ENTIRE STATE

DISTRICT OF COLUMBIA

MARYLAND - ENTIRE STATE
EXCEPTING THE COUNTIES OF
ALLEGANY
GARRETT

PENNSYLVANIA - COUNTIES OF:

ADAMS	LEBANON
BERKS	LEHIGH
CUMBERLAND	NORTHUMPTON
DAUPHIN	PERRY
FRANKLIN	YORK
LANCASTER	

VIRGINIA - COUNTIES OF:

ACCOMACK	LOUDOUN
ARLINGTON	NORTHUMPTON
FAIRFAX	PRINCE WILLIAM
FAUQUIER	STAFFORD

VIRGINIA - INDEPENDENT CITIES OF:

ALEXANDRIA	FALLS CHURCH
FAIRFAX	FREDERICKSBURG

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708039

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERSEDES PRICE BULLETIN DATED JUNE 1, 1968)

M (TB) 305

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

To destinations in the Michigan counties of

Alcona	Leelanau
Alpena	Manistee
Antrim	Mason
Benzie	Milwaukee
Charlevoix	Montmorency
Cheboygan	Oceana
Clare	Ogemaw
Crawford	Osceola
Emmet	Oscoda
Gladwin	Otsego
Grand Traverse	Presque Isle
Kalkaska	Roscommon
Lake	Wexford

PRICES PER MSF

SHIPPED IN MINIMUM	EST TRUCK	30T BOX CAR 35T FLAT CAR	40T BOX CAR 45T FLAT CAR
1/4" Wallboard		$ 42.00	
3/8" Wallboard		46.00	
1/2" Wallboard		52.00	
5/8" Wallboard		60.25	
1/2" F/S Wallboard		59.50	
5/8" F/S Wallboard		69.25	
1/2" Gypsum Sheathing		43.00	
3/8" Fashion Grain		85.50	
3/8" Durabar		186.00	
1/2" Durabar		192.00	
5/8" F/S Durabar		219.25	
1/2" NR Board		90.00	
1" Coreboard		113.50	
3/8" Gypsum Lath		37.00	
1/2" Gypsum Lath		42.00	

Gypsum Backer Boards, long length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ORDER 20TH PROX, NET 10TH SECOND PROX, SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 709040

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERSEDES PRICE BULLETIN DATED JUNE 1, 1968)

M (TB) 306

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

Wisconsin counties of:

Ashland
Bayfield
Florence
Forest
Iron
Langlade
Lincoln
Marinette
Oconto
Oneida
Price
Taylor
Vilas

PRICES PER MSF

SHIPPED IN MINIMUM	30T BOX CAR	35T FLAT CAR	40T BOX CAR 45T FLAT CAR
1/4" Wallboard	$ 44.00	$ 43.00	$ 42.00
3/8" Wallboard	48.00	47.00	46.00
1/2" Wallboard	54.00	53.00	52.00
5/8" Wallboard	62.25	61.25	60.25
1/2" F/S Wallboard	61.50	60.50	59.50
5/8" F/S Wallboard	71.25	70.25	69.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	87.50	86.50	85.50
3/8" Durabar	188.00	187.00	186.00
1/2" Durabar	194.00	193.00	192.00
5/8" F/S Durabar	221.25	220.25	219.25
1/2" NR Board	92.00	91.00	90.00
1" Coreboard	115.50	114.50	113.50
3/8" Gypsum Lath	39.00	38.00	37.00
1/2" Gypsum Lath	44.00	43.00	42.00

Gypsum Backer Boards, long length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ORDER 20TH PROX, NET 10TH SECOND PROX, SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 709041

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NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

SX (NG) 307

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the material passes to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	NOT TRUCK NOT BOX CAR	NOT BOX CAR NOT FLAT CAR	NOT BOX CAR 45T FLAT CAR
1/4" Wallboard	$ 44.00	$ 43.00	$ 42.00
3/8" Wallboard	48.00	47.00	46.00
1/2" Wallboard	54.00	53.00	52.00
5/8" Wallboard	62.25	61.25	60.25
1/2" F/S Wallboard	61.50	60.50	59.50
5/8" F/S Wallboard	71.25	70.25	69.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	87.50	86.50	85.50
3/8" Durabar	188.00	187.00	186.00
1/2" Durabar	194.00	193.00	192.00
5/8" F/S Durabar	221.25	220.25	219.25
1/2" HR Board	92.00	91.00	90.00
1" Coreboard	115.50	114.50	113.50
3/8" Gypsum Lath	39.00	38.00	37.00
1/2" Gypsum Lath	44.00	43.00	42.00

To destinations in the Michigan counties of

Alger
Baraga
Chippewa
Delta
Dickenson
Gogebic
Houghton
Iron
Keweenaw
Luce
Mackinac
Marquette
Menominee
Ontonagon
Schoolcraft

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 15 tons. The stopover point must be no more than 50 miles from the final destination. A stopover charge of $5.00 will be absorbed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ended 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708042

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

SX (NG) 308

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives, this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	NOT TRUCK NOT BOX CAR	NOT BOX CAR 45T FLAT CAR	NOT BOX CAR 45T FLAT CAR
1/4" Wallboard	$ 44.00	$ 43.00	$ 42.00
3/8" Wallboard	48.00	47.00	46.00
1/2" Wallboard	54.00	53.00	52.00
5/8" Wallboard	62.25	61.25	60.25
1/2" F/S Wallboard	61.50	60.50	59.50
5/8" F/S Wallboard	71.25	70.25	69.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	87.50	86.50	85.50
3/8" Durabar	188.00	187.00	186.00
1/2" Durabar	194.00	193.00	192.00
5/8" F/S Durabar	221.25	220.25	219.25
1/2" HR Board	92.00	91.00	90.00
1" Coreboard	115.50	114.50	113.50
3/8" Gypsum Lath	39.00	38.00	37.00
1/2" Gypsum Lath	44.00	43.00	42.00

To destinations in

Minnesota counties of
Aitkin, Becker, Beltrami, Benton, Big Stone, Carlton, Cass, Chisago, Clay, Clearwater, Cook, Crow Wing, Douglas, Grant, Hubbard, Isanti, Itasca, Kanabec, Kandiyohi, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Meeker, Mille Lacs, Morrison, Norman, Otter Tail, Pennington, Pine, Polk, Pope, Red Lake, Roseau, St. Louis, Sherburne, Stearns, Stevens, Todd, Traverse, Wadena, Wilkin, Wright

Wisconsin counties of
Barron, Buffalo, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Jackson, Pepin, Pierce, Polk, Rusk, Sawyer, St. Croix, Trempealeau, Washburn

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the plant to the final destination. A stopover charge of $5.50 will be absorbed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ended 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708043

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NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

309

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives this effective date was postponed to remain competitive.

The increased prices, originally announced, will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the goods passes to the customer upon delivery to the carrier.

To destinations in the State of North Dakota

PRICES PER MSF

SHIPPED IN MINIMUM	80T BOX CAR	80T BOX CAR 95T FLAT CAR	80T BOX CAR 45T FLAT CAR
1/4" Wallboard	$ 44.00	$ 43.00	$ 42.00
3/8" Wallboard	48.00	47.00	46.00
1/2" Wallboard	54.00	53.00	52.00
5/8" Wallboard	62.25	61.25	60.25
1/2" F/R Wallboard	61.50	60.50	59.50
5/8" F/R Wallboard	71.25	70.25	69.25
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	87.50	86.50	85.50
3/8" Durabar	188.00	187.00	186.00
1/2" Durabar	194.00	193.00	192.00
5/8" F/R Durabar	221.25	220.25	219.25
1/2" HR Board	92.00	91.00	90.00
1" Coreboard	117.50	115.50	113.50
3/8" Gypsum Lath	35.00	36.00	37.00
1/2" Gypsum Lath	44.00	43.00	42.00

* Applies only in straight carloads of gypsum board machine products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

In line with our regular policy, there will be no price protection.

Our terms of sales will be 2% ordes 20th prox, net 10th second prox, shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708044

NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

310

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representative this effective date was postponed to remain competitive.

The increased prices originally announced will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

To destinations in the

Illinois counties of:		
Alexander	Hardin	Pope
Bond	Jackson	Pulaski
Calhoun	Jasper	Randolph
Clay	Jefferson	Richland
Clinton	Jersey	St. Clair
Crawford	Johnson	Saline
Edwards	Lawrence	Union
Effingham	Madison	Wabash
Fayette	Marion	Washington
Franklin	Massac	Wayne
Gallatin	Monroe	White
Hamilton	Perry	Williamson
Kentucky counties of:		
Ballard	Fulton	Marshall
Calloway	Graves	McCracken
Carlisle	Hickman	
Missouri counties of:		
Aurora	Lewis	Reynolds
Bollinger	Lincoln	Ripley
Butler	Madison	St. Charles
Calloway	Maries	St. Francois
Cape Girardeau	Marion	St. Genevieve
Carter	Mississippi	St. Louis
Clark	Monroe	Scotland
Crawford	Montgomery	Scott
Dent	New Madrid	Shelby
Dunklin	Ohio	Stoddard
Franklin	Pemiscot	Warren
Gasconade	Perry	Washington
Iron	Phelps	Wayne
Jefferson	Pike	City of St. Louis
Knox	Ralls	

PRICES PER MSF

SHIPPED IN MINIMUM	80T TRUCK 80T BOX CAR	80T BOX CAR 95T FLAT CAR	80T BOX CAR 45T FLAT CAR
1/4" Wallboard	$ 41.50	$ 40.50	$ 39.50
3/8" Wallboard	45.50	44.50	43.50
1/2" Wallboard	51.50	50.50	49.50
5/8" Wallboard	58.75	58.75	57.75
1/2" F/R Wallboard	59.00	58.00	57.00
5/8" F/R Wallboard	68.75	67.75	66.75
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	85.00	84.00	83.00
3/8" Durabar	185.50	184.50	183.50
1/2" Durabar	191.50	190.50	189.50
5/8" F/R Durabar	218.75	217.75	216.75
1/2" HR Board	89.50	88.50	87.50
1" Coreboard	114.50	110.50	108.50
3/8" Gypsum Lath	36.50	35.50	34.50
1/2" Gypsum Lath	41.50	40.50	39.50

* Applies only in straight carloads of gypsum board machine products.

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (Foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $5.50 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% ordes 20th prox, net 10th second prox, shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY

NG 708045

39

NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

EA (13) 311

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives this effective date was postponed to remain competitive.

The increased prices originally announced will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant freight allowed. Title to goods passed to the customer upon delivery to the carrier.

To destinations in the Missouri counties of:

Adair	Douglas	Newton
Andrew	Gentry	Nodaway
Atchison	Green	Oregon
Barry	Grundy	Osage
Barton	Harrison	Pettis
Bates	Henry	Platte
Benton	Hickory	Polk
Boone	Holt	Pulaski
Buchanan	Howard	Putnam
Caldwell	Howell	Randolph
Camden	Jasper	Ray
Carroll	Johnson	St. Clair
Cass	Laclede	Saline
Cedar	Lafayette	Schuyler
Chariton	Lawrence	Shannon
Christian	Linn	Stone
Clinton	Livingston	Sullivan
Cole	McDonald	Taney
Cooper	Macon	Texas
Dade	Mercer	Vernon
Dallas	Miller	Webster
Daviess	Monitgau	Worth
DeKalb	Morgan	Wright

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	30T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" Wallboard	$ 41.50	$ 40.50	$ 39.50
3/8" Wallboard	45.50	44.50	43.50
1/2" Wallboard	51.50	50.50	49.50
5/8" Wallboard	59.75	58.75	57.75
1/2" F/S Wallboard	59.00	58.00	57.00
5/8" F/S Wallboard	68.75	67.75	66.75
1/2" Gypsum Sheathing	45.00	44.00	43.00
3/8" Fashion Grain	85.00	84.00	83.00
3/8" Durabar	185.50	184.50	183.50
1/2" Durabar	191.50	190.50	189.50
5/8" F/S Durabar	218.75	217.75	216.75
1/2" MR Board	89.50	88.50	87.50
1" Coreboard	112.50	110.50	108.50
3/8" Gypsum Lath	36.50	35.50	34.50
1/2" Gypsum Lath	41.50	40.50	39.50

* Applies only on straight carloads of Gypsum Board Machine Products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $10.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708046

NATIONAL PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

EA (13) 312

On June 1, 1968, we announced a price increase on Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives this effective date was postponed to remain competitive.

The increased prices originally announced will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant, freight allowed. Title to the goods passed to the customer upon delivery to the carrier.

To destinations in the Missouri counties of:

Clay
Jackson

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	30T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR*
1/4" Wallboard	$ 41.00	$ 40.50	$ 39.50
3/8" Wallboard	45.00	44.50	43.50
1/2" Wallboard	51.00	50.50	49.50
5/8" Wallboard	59.25	58.75	57.75
1/2" F/S Wallboard	58.50	58.00	57.00
5/8" F/S Wallboard	68.25	67.75	66.75
1/2" Gypsum Sheathing	44.50	44.00	43.00
3/8" Fashion Grain	84.50	84.00	83.00
3/8" Durabar	185.00	184.50	183.50
1/2" Durabar	191.00	190.50	189.50
5/8" F/S Durabar	218.25	217.75	216.75
1/2" MR Board	89.00	88.50	87.50
1" Coreboard	111.50	110.50	108.50
3/8" Gypsum Lath	36.00	35.50	34.50
1/2" Gypsum Lath	41.00	40.50	39.50

* Applies only in straight carloads of Gypsum Board Machine Products

Gypsum Backer Boards, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $10.00 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY 708047

A1

NATIONAL GYPSUM CO. PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (CS) 373

On June 1, 1968, we announced a price increase in Gypsum Board Machine Products to be effective on August 1, 1968. Subsequently, through verbal notice by our sales representatives this effective date was postponed to remain competitive.

The increased prices originally announced will become effective September 16, 1968. These prices are restated below for your convenience.

Prices are F.O.B. shipping plant freight allowed. Title to the goods passes to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	40T BOX CAR 35T FLAT CAR	40T BOX CAR* 35T FLAT CAR
To destinations in the State of Kansas EXCEPT the city of Coffeyville in Montgomery County			
1/4" Wallboard	$ 41.00	$ 40.50	$ 39.50
3/8" Wallboard	45.00	44.50	43.50
1/2" Wallboard	51.00	50.50	49.50
5/8" Wallboard	59.25	58.75	57.75
1/2" F/S Wallboard	58.50	58.00	57.00
5/8" F/S Wallboard	68.25	67.75	66.75
1/2" Gypsum Sheathing	44.50	44.00	43.00
3/8" Fashion Grain	84.50	84.00	83.00
3/8" Duraban	185.00	184.50	183.50
1/2" Duraban	191.00	190.50	189.50
5/8" F/S Duraban	218.25	217.75	216.75
1/2" HR Board	89.00	88.50	87.50
1" Coreboard	111.50	110.50	108.50
3/8" Gypsum Lath	36.00	35.50	34.50
1/2" Gypsum Lath	41.00	40.50	39.50

* Applies only in straight carloads of gypsum board machine produ

Gypsum Backer Board, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct rou from the shipping plant to the final destination. A stopover charge of $7.50 will be assessed to n participating dealer.

In line with c regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox, net 10th second prox, shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 709048

A2

NATIONAL GYPSUM CO. PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

BX (CS) 374

This notice cancels and supercedes our price bulletin of June 1, 1968 in which we announced new prices of Gypsum Board Machine Products to become effective August 1, 1968.

To meet the prices and terms of sale subsequently announced by other manufacturers, we are revising our prices and terms as follows, to be competitive effective with all shipments made on and after September 16, 1968.

Effective with this revision, cash discount terms will be 2% gross 20th prox, net 10th second prox. Shipments on and after the 21st of each month may be considered as billing in the following month.

Invoices are f.o.b. shipping plant, freight allowed. Title to goods passes to the customer upon delivery to the carrier.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	40T BOX CAR 35T FLAT CAR
To destinations in the Virginia counties of: Isle of Wight, James City, Nansemond, Norfolk, Princess Anne, Southampton, York, and the independent cities of: Chesapeake, Norfolk, Ft. Howard, Portsmouth, Franklin, Suffolk, Hampton, Virginia Beach, Newport News, Williamsburg		
1/4" Wallboard	$39.75	$37.75
3/8" Wallboard	43.50	41.50
1/2" Wallboard	49.25	47.50
5/8" Wallboard	57.25	55.50
1/2" F/S Wallboard	56.50	54.75
5/8" F/S Wallboard	66.00	64.00
1/2" Gypsum Sheathing	43.50	41.75
3/8" Fashion Grain	81.75	79.75
3/8" Duraban	179.25	176.00
1/2" Duraban	185.00	183.00
5/8" F/S Duraban	211.50	209.50
1/2" HR Board	86.25	84.25
1" Coreboard	108.00	106.00
3/8" Gypsum Lath	34.75	32.75
1/2" Gypsum Lath	39.75	37.75

Gypsum Backer Board, Long Length Lath and/or Kal Kore Board will be priced at $1.50/MSF below the published price of an equal thickness of Gypsum Wallboard. Insulating (foiled) Gypsum Products will be priced at $15.00/MSF over the published price of the same product without foil.

You can participate in stopover truck delivery, minimum stop 10 tons. The stopover point must be on a direct route from the shipping plant to the final destination. A stopover charge of $4.25 will be assessed to each participating dealer.

In line with our regular policy, there will be no price protection.

Our terms of sale will be 2% gross 20th prox., net 10th second prox. Shipments on and after the twenty-first of each month may be considered a billing in the following month.

NATIONAL GYPSUM COMPANY NG 708043

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NC (3) 315

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	HOT TRUCK HOT BOX CAR	HOT BOX CAR HOT FLAT CAR	HOT BOX CAR* HOT FLAT CAR*
1/4" WALLBOARD	$ 39.75	$ 38.75	$ 37.75
3/8" WALLBOARD	43.50	42.50	41.50
1/2" WALLBOARD	49.25	48.25	47.50
5/8" WALLBOARD	57.25	56.25	55.50
1/2" F/S WALLBOARD	56.50	55.75	54.75
5/8" F/S WALLBOARD	66.00	65.00	64.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	81.75	80.75	79.75
3/8" DURABOND	179.25	178.25	177.00
1/2" DURABOND	185.00	184.00	183.00
5/8" F/S DURABOND	211.50	210.50	209.50
1/2" MR BOARD	86.25	85.25	84.25
1" CORE BOARD	105.00	106.00	104.00
3/8" GYPSUM LATH	34.75	33.75	32.75
1/2" GYPSUM LATH	39.75	38.75	37.75

*APPLIES ONLY ON STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

TO DESTINATIONS IN THE VIRGINIA COUNTY OF:

WASHINGTON

AND THE INDEPENDENT CITY OF BRISTOL

GYPSUM SCORED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE FROM THE SHIPPING PLANT TO THE FINAL DESTINATION. A STOPOVER CHARGE OF $0.25 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NC 708050

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NC (3) 316

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	HOT TRUCK HOT BOX CAR	HOT BOX CAR HOT FLAT CAR	HOT BOX CAR* HOT FLAT CAR*
1/4" WALLBOARD	$37.75	$36.75	$37.75
3/8" WALLBOARD	43.50	42.50	41.50
1/2" WALLBOARD	49.25	48.25	47.50
5/8" WALLBOARD	57.25	56.25	55.50
1/2" F/S WALLBOARD	56.50	55.75	54.75
5/8" F/S WALLBOARD	66.00	65.00	64.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	81.75	80.75	79.75
3/8" DURABOND	179.25	178.25	177.00
1/2" DURABOND	185.00	184.00	183.00
5/8" F/S DURABOND	211.50	210.50	209.50
1/2" MR BOARD	86.25	85.25	84.25
1" CORE BOARD	105.00	106.00	104.00
3/8" GYPSUM LATH	34.75	33.75	32.75
1/2" GYPSUM LATH	39.75	38.75	37.75

*APPLIES ONLY ON STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

TO DESTINATIONS IN THE STATE OF TENNESSEE EXCEPT THE COUNTIES OF:

BENTON	HENDERSON
CARROLL	HENRY
CHESTER	LAKE
CROCKETT	LAUDERDALE
DECATUR	MCNAIRY
DYER	MADISON
FAYETTE	OBION
GIBSON	SHELBY
GRUNDY	TIPTON
HARDIN	WEAKLEY
HAYWOOD	

GYPSUM SCORED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH WILL BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NC 708051

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

317

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

TO DESTINATIONS IN THE STATE OF ALABAMA (PARTIAL) THE COUNTIES OF:

BALDWIN	MOBILE
CHOCTAW	MONROE
CLARKE	WASHINGTON
ESCAMBIA	

THE FLORIDA COUNTIES OF:

BAY	JACKSON
CALHOUN	WALTON
GULF	WASHINGTON
HOLMES	

STATE OF GEORGIA (PARTIAL) COUNTIES OF:

CLAYTON	DOUGLAS
COBB	FULTON
DEKALB	GWINNETT

THE GATEWAY STATES OF:
NORTH CAROLINA
SOUTH CAROLINA

PRICES PER M S F

SHIPPED IN MINIMUM	NET TRUCK NET BOX CAR	NET BOX CAR NET FLAT CAR	NET TRUCK NET BOX CAR NET FLAT CAR
1/4" WALLBOARD	$39.75	$36.75	$37.75
3/8" WALLBOARD	43.50	42.50	41.50
1/2" WALLBOARD	49.25	48.25	47.50
5/8" WALLBOARD	57.25	56.25	55.50
1/2" F/S WALLBOARD	56.50	55.75	54.75
5/8" F/S WALLBOARD	66.00	65.00	64.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	81.75	80.75	79.75
3/8" DURASAG	179.25	178.25	177.00
1/2" DURASAG	185.00	184.00	183.00
5/8" F/S DURASAG	211.50	210.50	209.50
1/2" HR BOARD	86.25	85.25	84.25
1" CORESBOARD	108.00	106.00	104.00
3/8" GYPSUM LATH	39.75	33.75	32.75
1/2" GYPSUM LATH	39.75	38.75	37.75

APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $5.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 709052

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

318

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

TO DESTINATIONS IN THE GEORGIA COUNTIES OF:

COBB
CLAYTON
DEKALB
DOUGLAS
FULTON
GWINNETT

PRICES PER M S F

SHIPPED IN MINIMUM	NET BOX CAR	NET BOX CAR NET FLAT CAR	NET TRUCK NET BOX CAR NET FLAT CAR
1/4" WALLBOARD	$ 39.75	$ 36.75	$ 37.75
3/8" WALLBOARD	43.50	42.50	41.50
1/2" WALLBOARD	49.25	48.25	47.50
5/8" WALLBOARD	57.25	56.25	55.50
1/2" F/S WALLBOARD	56.50	55.75	54.75
5/8" F/S WALLBOARD	66.00	65.00	64.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	81.75	80.75	79.75
3/8" DURASAG	179.25	178.25	177.00
1/2" DURASAG	185.00	184.00	183.00
5/8" F/S DURASAG	211.50	210.50	209.50
1/2" HR BOARD	86.25	85.25	84.25
1" CORESBOARD	108.00	106.00	104.00
3/8" GYPSUM LATH	34.75	33.75	32.75
1/2" GYPSUM LATH	39.75	38.75	37.75

APPLIES IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX NET 10TH ACCOMD PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 709053

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (13) 319

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK	40-45T BOX CAR 22T FLAT CAR	45T GON CARS 45T FULY CARS
1/4" WALLBOARD	$ 36.20		$ 37.75
3/8" WALLBOARD	42.00		41.50
1/2" WALLBOARD	46.00		47.50
5/8" WALLBOARD	56.00		55.50
1/2" F/S WALLBOARD	55.30		54.75
5/8" F/S WALLBOARD	69.75		69.00
1/2" GYPSUM SHEATHING	41.85		40.50
3/8" FASHION GRAIN	80.75		79.75
3/8" DURABAR	177.30		176.00
1/2" DURABAR	183.80		183.00
5/8" F/S DURABAR	210.50		209.50
1/2" HR BOARD	84.90		84.25
1" CORKBOARD	105.25		107.00
3/8" GYPSUM LATH	33.50		32.75
1/2" GYPSUM LATH	36.30		37.75

APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

TO DESTINATIONS IN THE ALABAMA COUNTIES OF:

BALDWIN, CHOCTAW, CLARKE, ESCAMBIA, MOBILE, MONROE, WASHINGTON

FLORIDA COUNTIES OF:

ESCAMBIA, OKALOOSA, SANTA ROSA

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $3.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708054

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (13) 320

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTERTHE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSED TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK	40-45T BOX CAR 22T FLAT CAR
1/4" WALLBOARD	$38.75	
3/8" WALLBOARD	42.50	
1/2" WALLBOARD	48.25	
5/8" WALLBOARD	56.25	
1/2" F/S WALLBOARD	55.75	
5/8" F/S WALLBOARD	69.00	
1/2" GYPSUM SHEATHING	41.50	
3/8" FASHION GRAIN	80.75	
3/8" DURABAR	178.25	
1/2" DURABAR	184.00	
5/8" F/S DURABAR	210.50	
1/2" HR BOARD	85.25	
1" CORKBOARD	106.00	
3/8" GYPSUM LATH	33.75	
1/2" GYPSUM LATH	38.75	

TO DESTINATIONS IN THE FLORIDA COUNTIES OF:

DUVAL, ST. JOHNS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS OF WHICH 7-1/2 TONS MUST BE GYPSUM PRODUCTS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF . $5 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR EQUAL POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708055

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

321

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK	30T BOX CAR OR 35-40T FLAT CAR
1/4" WALLBOARD	$ 40.75	
3/8" WALLBOARD	43.50	
1/2" WALLBOARD	48.25	
5/8" WALLBOARD	56.25	
1/2" F/S WALLBOARD	55.75	
5/8" F/S WALLBOARD	65.00	
1/2" GYPSUM SHEATHING	42.50	
3/8" FASHION GRAIN	80.75	
3/8" DURABAR	178.25	
1/2" DURABAR	184.00	
5/8" F/S DURABAR	210.50	
1/2" HR BOARD	85.25	
1" CORKBOARD	106.00	
3/8" GYPSUM LATH	33.75	
1/2" GYPSUM LATH	38.75	

TO DESTINATIONS IN THE FLORIDA COUNTIES OF:

HILLSBOROUGH
PASCO
PINELLAS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE BASE PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS OF WHICH 7-1/2 TONS MUST BE GYPSUM PRODUCTS. THE STOPOVER MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $3.45 WILL BE ADDED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708056

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

322

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

SHIPPED IN MINIMUM	20T TRUCK 20 T BOX CAR	30T BOX CAR 35T FLAT CAR	40T BOX CAR 85T FLAT CAR*
1/4" WALLBOARD	$ 40.50	$ 39.75	$ 39.75
3/8" WALLBOARD	44.50	43.50	42.50
1/2" WALLBOARD	50.25	49.25	48.25
5/8" WALLBOARD	58.25	57.25	56.25
1/2" F/S WALLBOARD	57.50	56.50	55.75
5/8" F/S WALLBOARD	67.00	66.00	65.00
1/2" GYPSUM SHEATHING	43.70	41.70	42.70
3/8" FASHION GRAIN	82.75	81.75	80.75
3/8" DURABAR	180.25	179.25	178.25
1/2" DURABAR	186.00	185.00	184.00
5/8" F/S DURABAR	213.50	211.50	210.50
1/2" HR BOARD	87.25	86.25	85.25
1" CORKBOARD	110.00	108.00	106.00
3/8" GYPSUM LATH	35.75	34.75	33.75
1/2" GYPSUM LATH	40.50	39.75	38.75

*APPLIES ONLY IN EXTRA CUT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

TO DESTINATIONS IN THE STATE OF FLORIDA EXCEPT THE COUNTIES OF:

BAY	HOLMES
BROWARD	JACKSON
CALHOUN	LEE
CHARLOTTE	MONROE
COLLIER	OKALOOSA
DADE	PALM BEACH
DUVAL	PASCO
ESCAMBIA	PINELLAS
GLADES	ST. JOHNS
GULF	SANTA ROSA
HENDRY	WALTON
HILLSBOROUGH	WASHINGTON

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE BASE PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS OF WHICH 7-1/2 TONS MUST BE GYPSUM PRODUCTS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $3.45 WILL BE ADDED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708057

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NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14397

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

[illegible] 323

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

TO DESTINATIONS IN THE FLORIDA COUNTIES OF:

BROWARD
CHARLOTTE
COLLIER
DADE
GLADES
HENDRY
LEE
PALM BEACH

SHIPPED IN MINIMUM	20-30T TRUCK	20-30T BOX CAR 35T FLAT CAR	40T BOX CAR 40T FLAT CAR
1/2" WALLBOARD	$ 42.50	$ 41.50	$ 43.50
3/8" WALLBOARD	46.50	45.50	44.50
1/2" WALLBOARD	52.25	51.25	50.25
5/8" WALLBOARD	60.25	59.25	58.25
1/2" F/R WALLBOARD	59.50	58.50	57.50
5/8" F/R WALLBOARD	69.00	68.00	67.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	84.75	83.75	82.75
3/8" DUREBOARD	182.25	181.25	180.25
1/2" DUREBOARD	188.00	187.00	186.00
5/8" F/R DUREBOARD	214.25	213.50	212.50
1/2" HR BOARD	88.00	88.00	87.25
1" CORKBOARD	113.75	111.75	110.00
3/8" GYPSUM LATH	37.00	35.50	34.50
1/2" GYPSUM LATH	40.25	39.00	38.00

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $15.0/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH PROX, SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708058

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14397

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

[illegible] 324

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

TO DESTINATIONS IN THE FLORIDA COUNTY OF:

MONROE

SHIPPED IN MINIMUM	20-30T BOX CAR 35T FLAT CAR	40T BOX CAR 40T FLAT CAR
1/2" WALLBOARD	$ 41.75	$ 40.75
3/8" WALLBOARD	45.60	44.60
1/2" WALLBOARD	51.45	50.45
5/8" WALLBOARD	59.45	58.45
1/2" F/R WALLBOARD	58.70	57.75
5/8" F/R WALLBOARD	68.20	67.20
1/2" GYPSUM SHEATHING	41.70	40.75
3/8" FASHION GRAIN	83.10	84.10
3/8" DUREBOARD	181.40	180.40
1/2" DUREBOARD	187.25	186.25
5/8" F/R DUREBOARD	218.00	217.00
1/2" HR BOARD	88.30	87.30
1" CORKBOARD	112.10	110.10
3/8" GYPSUM LATH	36.50	35.50
1/2" GYPSUM LATH	41.75	40.75

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.52/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH PROX, SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708059

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

325

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To destinations in the TENNESSEE counties of:

Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, Mc Nairy, Madison, Obion, Shelby, Tipton, Weakley

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	20T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR
3/4" WALLBOARD	$ 39.50	$ 38.00	$ 37.50
3/8" WALLBOARD	43.25	42.25	41.25
1/2" WALLBOARD	49.00	48.00	47.50
5/8" WALLBOARD	57.00	56.00	55.25
1/2" F/S WALLBOARD	56.25	55.50	54.50
5/8" F/S WALLBOARD	65.75	65.00	64.00
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" FASHION GRAIN	81.50	80.50	79.50
3/8" DURABAR	179.00	178.00	176.70
1/2" DURABAR	184.75	183.75	180.75
5/8" F/S DURABAR	211.25	210.25	209.25
1/2" HR BOARD	86.00	85.00	84.00
1" CORKBOARD	107.50	105.50	103.50
3/8" GYPSUM LATH	34.50	33.50	32.50
1/2" GYPSUM LATH	39.50	38.50	37.50

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $7.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WI... OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS ... SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX SHIPMENTS ON AND AFTER THE TWENTY-... OF EACH MONTH EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY NG 708080

NATIONAL GYPSUM COMPANY PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

326

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

To destinations in the MISSISSIPPI counties of:

Alcorn, Attala, Benton, Bolivar, Calhoun, Carroll, Chickasaw, Choctaw, Clay, Coahoma, De Soto, Grenada, Holmes, Humphreys, Issaquena, Itawamba, Kemper, Lafayette, Leake, Lee, Leflore, Lowndes, Madison, Marshall, Monroe, Montgomery, Nechoba, Noxubee, Oktibbeha, Panola, Pontotoc, Prentiss, Quitman, Sharkey, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Washington, Webster, Winston, Yalobusha, Yazoo

SHIPPED IN MINIMUM	20T TRUCK 20T BOX CAR	20T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR
1/4" WALLBOARD	$39.50	$38.00	$37.50
3/8" WALLBOARD	43.25	42.25	41.25
1/2" WALLBOARD	49.00	48.00	47.25
5/8" WALLBOARD	57.00	56.00	55.25
1/2" F/S WALLBOARD	56.25	55.50	54.50
5/8" F/S WALLBOARD	65.75	64.75	63.75
1/2" GYPSUM SHEATHING	42.50	41.50	40.50
3/8" GASHION GRAIN	81.50	80.50	79.50
3/8" DURABAR	179.00	178.00	176.75
1/2" DURABAR	184.75	183.75	182.75
5/8" F/S DURABAR	211.25	210.25	209.25
1/2" HR BOARD	86.00	85.00	84.00
1" CORKBOARD	107.50	106.50	103.50
3/8" GYPSUM LATH	34.50	33.50	32.50
1/2" GYPSUM LATH	39.50	38.50	37.50

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX, SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708081

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NG 327

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER M S F

SHIPPED IN MINIMUM	20T TRUCK	20-35T BOX CAR 35T FLAT CAR	40T BOX CAR* 45T FLAT CAR*
1/4" WALLBOARD		$ 37.00	$ 37.50
3/8" WALLBOARD		41.75	41.25
1/2" WALLBOARD		47.75	47.25
5/8" WALLBOARD		55.75	55.25
1/2" F/S WALLBOARD		55.00	54.50
5/8" F/S WALLBOARD		62.50	62.00
1/2" GYPSUM SHEATHING		41.00	40.50
3/8" FASHION GRAIN		80.00	79.50
3/8" DURABAR		177.25	176.75
1/2" DURABAR		183.25	182.75
5/8" F/S DURABAR		209.75	209.25
1/2" HR BOARD		84.50	84.00
1" CORKBOARD		104.50	103.50
3/8" GYPSUM LATH		33.00	32.50
1/2" GYPSUM LATH		38.00	37.50

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

TO DESTINATIONS IN THE MISSISSIPPI COUNTIES OF:

ADAMS	LAMAR
AMITE	LAUDERDALE
CLAIBORNE	LAWRENCE
CLARKE	LINCOLN
COPIAH	MARION
COVINGTON	NEWTON
FORREST	PEARL RIVER
FRANKLIN	PERRY
GEORGE	PIKE
GREEN	RANKIN
HANCOCK	SCOTT
HARRISON	SIMPSON
HINDS	SMITH
JACKSON	STONE
JASPER	WALTHALL
JEFFERSON	WARREN
JEFFERSON DAVIS	WAYNE
JONES	WILKINSON

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708062

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14203

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

NG 328

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER M S F

SHIPPED IN MINIMUM	20T TRUCK	20-35T BOX CAR 35-45T FLAT CAR
1/4" WALLBOARD	$ 37.50	
3/8" WALLBOARD	41.25	
1/2" WALLBOARD	47.25	
5/8" WALLBOARD	55.25	
1/2" F/S WALLBOARD	54.50	
5/8" F/S WALLBOARD	62.00	
1/2" GYPSUM SHEATHING	40.50	
3/8" FASHION GRAIN	79.50	
3/8" DURABAR	176.75	
1/2" DURABAR	182.75	
5/8" F/S DURABAR	209.25	
1/2" HR BOARD	84.00	
1" CORKBOARD	103.50	
3/8" GYPSUM LATH	32.50	
1/2" GYPSUM LATH	37.50	

TO DESTINATIONS IN THE LOUISIANA PARISHES OF:

ACADIA
ASCENSION
ASSUMPTION
EAST BATON ROUGE
EAST FELICIANA
IBERIA
IBERVILLE
JEFFERSON
LAFAYETTE
LA FOURCHE
LIVINGSTON
ORLEANS
PLAQUEMINES
POINTE COUPEE
ST. BERNARD
ST. CHARLES
ST. HELENA
ST. JAMES
ST. JOHN THE BAPTIST
ST. LANDRY
ST. MARTIN
ST. MARY
ST. TAMMANY
TANGIPAHOA
TERREBONNE
VERMILLION
WASHINGTON
WEST BATON ROUGE
WEST FELICIANA

GYPSUM BACKER BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $7.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708063

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED JUNE 1, 1968)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (CB) 329

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE FOB SHIPPING PLANT. FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

TO DESTINATIONS IN THE ENTIRE PARISHES OF:

ASSUMPTION	JACKSON
AVOYELLES	JEFFERSON DAVIS
BEAUREGARD	LAFAYETTE
BIENVILLE	LINCOLN
BOSSIER	MADISON
CADDO	NATCHITOCHES
CALCASIEU	OUACHITA
CALDWELL	RAPIDES
CAMERON	RED RIVER
CATAHOULA	RICHLAND
CLAIBORNE	SABINE
CONCORDIA	TENSAS
DESOTO	UNION
EAST CARROLL	VERNON
EVANGELINE	WEBSTER
FRANKLIN	WEST CARROLL
GRANT	WINN

SHIPPED IN MINIMUM	20T TRUCK	20-25T SUB CAR 35T FLAT CAR	40T SUB CAR 45T FLAT CAR
1/4" WALLBOARD	$38.00		$37.50
3/8" WALLBOARD	41.75		41.25
1/2" WALLBOARD	47.75		47.25
5/8" WALLBOARD	55.75		55.25
1/2" F/R WALLBOARD	55.00		54.50
5/8" F/R WALLBOARD	62.50		62.00
1/2" GYPSUM SHEATHING	41.00		40.50
3/8" FASHION GRAIN	80.00		79.50
3/8" DURABOARD	177.25		176.75
1/2" DURABOARD	183.25		182.75
5/8" F/R DURABOARD	209.75		209.25
1/2" HR BOARD	84.50		84.00
1" CORKBOARD	104.50		103.50
3/8" GYPSUM LATH	33.00		32.50
1/2" GYPSUM LATH	38.00		37.50

* APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $7.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX., NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708065

NATIONAL GYPSUM PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (CB) 330

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH DISCOUNT TERMS WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSES TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

PRICES PER MSF

TO DESTINATIONS IN THE ENTIRE STATE OF OKLAHOMA

AND THE CITY OF COFFEYVILLE IN KANSAS

SHIPPED IN MINIMUM	20T TRUCK	20-25T SUB CAR 35T FLAT CAR	40T SUB CAR 45T FLAT CAR
1/4" WALLBOARD	$ 38.00		$ 37.50
3/8" WALLBOARD	41.75		41.25
1/2" WALLBOARD	47.75		47.25
5/8" WALLBOARD	55.75		55.25
1/2" F/R WALLBOARD	55.00		54.50
5/8" F/R WALLBOARD	62.50		62.00
1/2" GYPSUM SHEATHING	41.00		40.50
3/8" FASHION GRAIN	80.00		79.50
3/8" DURABOARD	177.75		176.75
1/2" DURABOARD	183.25		182.75
5/8" F/R DURABOARD	209.75		209.25
1/2" HR BOARD	84.50		84.00
1" CORKBOARD	104.50		103.50
3/8" GYPSUM LATH	33.00		32.50
1/2" GYPSUM LATH	38.00		37.50

*APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BACKED BOARDS, LONG LENGTH LATH AND/OR KAL KORE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

YOU CAN PARTICIPATE IN STOPOVER TRUCK DELIVERY, MINIMUM STOP 10 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $7.50 WILL BE ASSESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

OUR TERMS OF SALE WILL BE 2% GROSS 20TH PROX, NET 10TH SECOND PROX. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

NG 708066

NATIONAL GYPSUM

PRICE BULLETIN

EXECUTIVE OFFICES • BUFFALO, N. Y. 14202

SEPTEMBER 5, 1968

(CANCELS AND SUPERCEDES PRICE BULLETIN DATED 6/1/68)

SUBJECT: GYPSUM BOARD MACHINE PRODUCTS - PRICES

EFFECTIVE: SEPTEMBER 16, 1968

TO: OUR DEALERS IN THE AREA LISTED BELOW

DX (NG) 331

THIS NOTICE CANCELS AND SUPERCEDES OUR PRICE BULLETIN OF JUNE 1, 1968 IN WHICH WE ANNOUNCED NEW PRICES OF GYPSUM BOARD MACHINE PRODUCTS TO BECOME EFFECTIVE AUGUST 1, 1968.

TO MEET THE PRICES AND TERMS OF SALE SUBSEQUENTLY ANNOUNCED BY OTHER MANUFACTURERS, WE ARE REVISING OUR PRICES AND TERMS AS FOLLOWS, TO BE COMPETITIVE EFFECTIVE WITH ALL SHIPMENTS MADE ON AND AFTER SEPTEMBER 16, 1968.

EFFECTIVE WITH THIS REVISION, CASH & DISCOUNT TERMS WILL BE [illegible] PAID, NET 10TH DECEMBER PAID. SHIPMENTS ON AND AFTER THE 21ST OF EACH MONTH MAY BE CONSIDERED AS BILLING IN THE FOLLOWING MONTH.

PRICES ARE F.O.B. SHIPPING PLANT, FREIGHT ALLOWED. TITLE TO GOODS PASSED TO THE CUSTOMER UPON DELIVERY TO THE CARRIER.

TO DEALERS IN THE STATE OF TEXAS EXCEPT THE COUNTIES OF:

CHILDRESS
EL PASO
HUDSPETH

AND THE ARKANSAS CITY OF TEXARKANA

PRICES PER MSF

SHIPPED IN MINIMUM	DOT TRUCK	MINIMUM 30M LOT FLAT CAR	NOT MIN. 30M LOT FLAT CARS
1/4" WALLBOARD	$ [illegible]		$ 37.50
3/8" WALLBOARD	41.75		41.25
1/2" WALLBOARD	47.75		47.25
5/8" WALLBOARD	55.75		55.25
1/2" F/R WALLBOARD	55.00		54.50
5/8" F/R WALLBOARD	62.50		62.00
1/2" GYPSUM SHEATHING	41.00		40.50
3/8" FASHION GRAIN	80.00		79.50
3/8" DURASAN	177.25		176.75
1/2" DURASAN	183.25		182.75
5/8" F/R DURASAN	189.75		189.25
1/2" WR BOARD	54.50		54.00
1" CORKBOARD	104.50		103.50
3/8" GYPSUM LATH	33.00		32.50
1/2" GYPSUM LATH	38.00		37.50

APPLIES ONLY IN STRAIGHT CARLOADS OF GYPSUM BOARD MACHINE PRODUCTS

GYPSUM BOARDS, LONG LENGTH LATH AND/OR FAL RIBBE BOARD WILL BE PRICED AT $1.50/MSF BELOW THE PUBLISHED PRICE OF AN EQUAL THICKNESS OF GYPSUM WALLBOARD. INSULATING (FOILED) GYPSUM PRODUCTS WILL BE PRICED AT $15.00/MSF OVER THE PUBLISHED PRICE OF THE SAME PRODUCT WITHOUT FOIL.

THE CAR PARTICIPATE IN STOPOVER TRUCK DELIVERY, ONE STOP AND FINAL, MINIMUM STOP 7 TONS. THE STOPOVER POINT MUST BE ON A DIRECT ROUTE BETWEEN THE SHIPPING PLANT AND THE FINAL DESTINATION. A STOPOVER CHARGE OF $5.00 WILL BE ADDRESSED TO EACH PARTICIPATING DEALER.

IN LINE WITH OUR REGULAR POLICY, THERE WILL BE NO PRICE PROTECTION.

[illegible] TERMS OF SALE WILL BE 2% 10TH DECEMBER PAID, NET 10TH DECEMBER PAID. SHIPMENTS ON AND AFTER THE TWENTY-FIRST OF EACH MONTH MAY BE CONSIDERED A BILLING IN THE FOLLOWING MONTH.

NATIONAL GYPSUM COMPANY

WG 708067

BEST COPY AVAILABLE

DX (NG) 341

NATIONAL GYPSUM COMPANY
MILL NET CHANGES 1960 THRU 1973 FOR 1/2" WALLBOARD

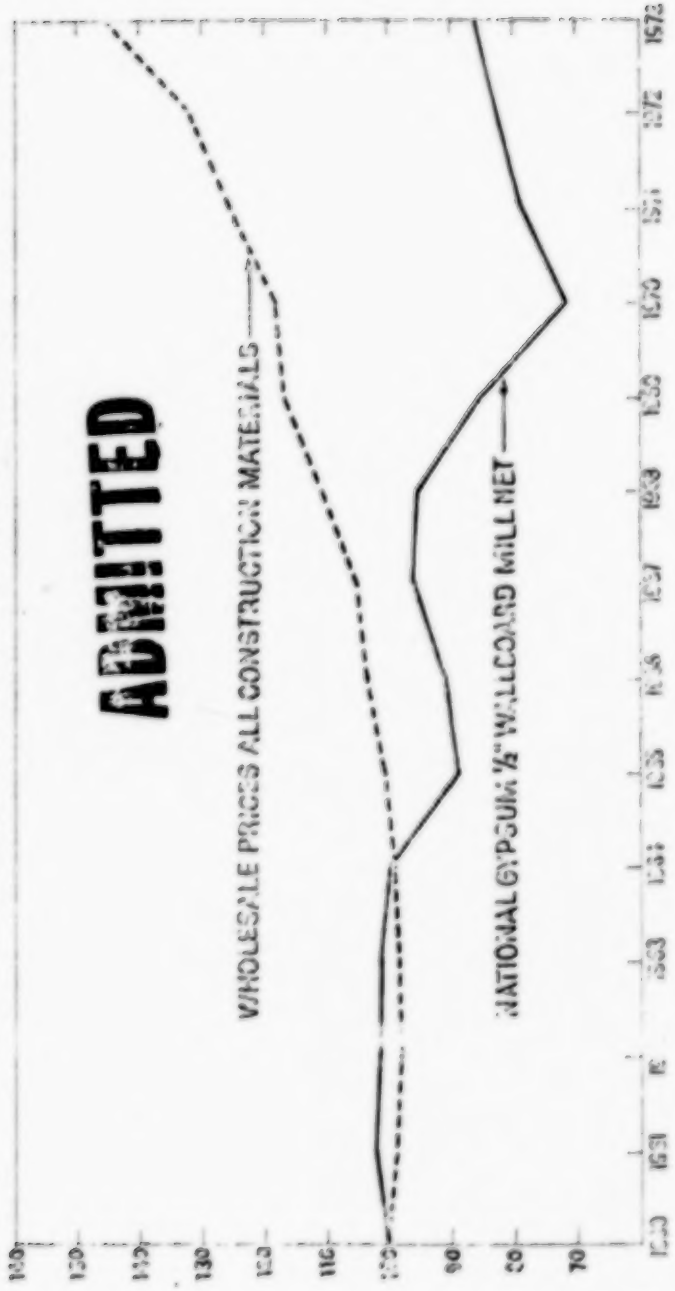
Year	$ PER MSF AT MILL	$ PER MSF ADJUSTED FOR INFLATION
1960	$41.13 Per MSF	$41.13 Per MSF
1961	42.15	41.61
1962	41.93	41.03
1963	41.89	40.40
1964	40.95	38.85
1965	36.38	34.16
1966	37.72	34.26
1967	39.69	34.94
1968	39.21	33.12
1969	34.99	28.20
1970	29.55	22.57
1971	32.23	23.51
1972	34.12	24.13
1973	$35.31 Per MSF	$23.70 Per MSF

Source: $ Per MSF At Mill - National Gypsum Company Wide Profit And Loss Statements.
$ Per MSF At Mill - Adjusted For Inflation - GNP Deflator From U.S. Dept. of Commerce Statistical Abstract Used To Adjust For Inflation.

DX(NG)-342

DX (NG) 342

ADMITTED

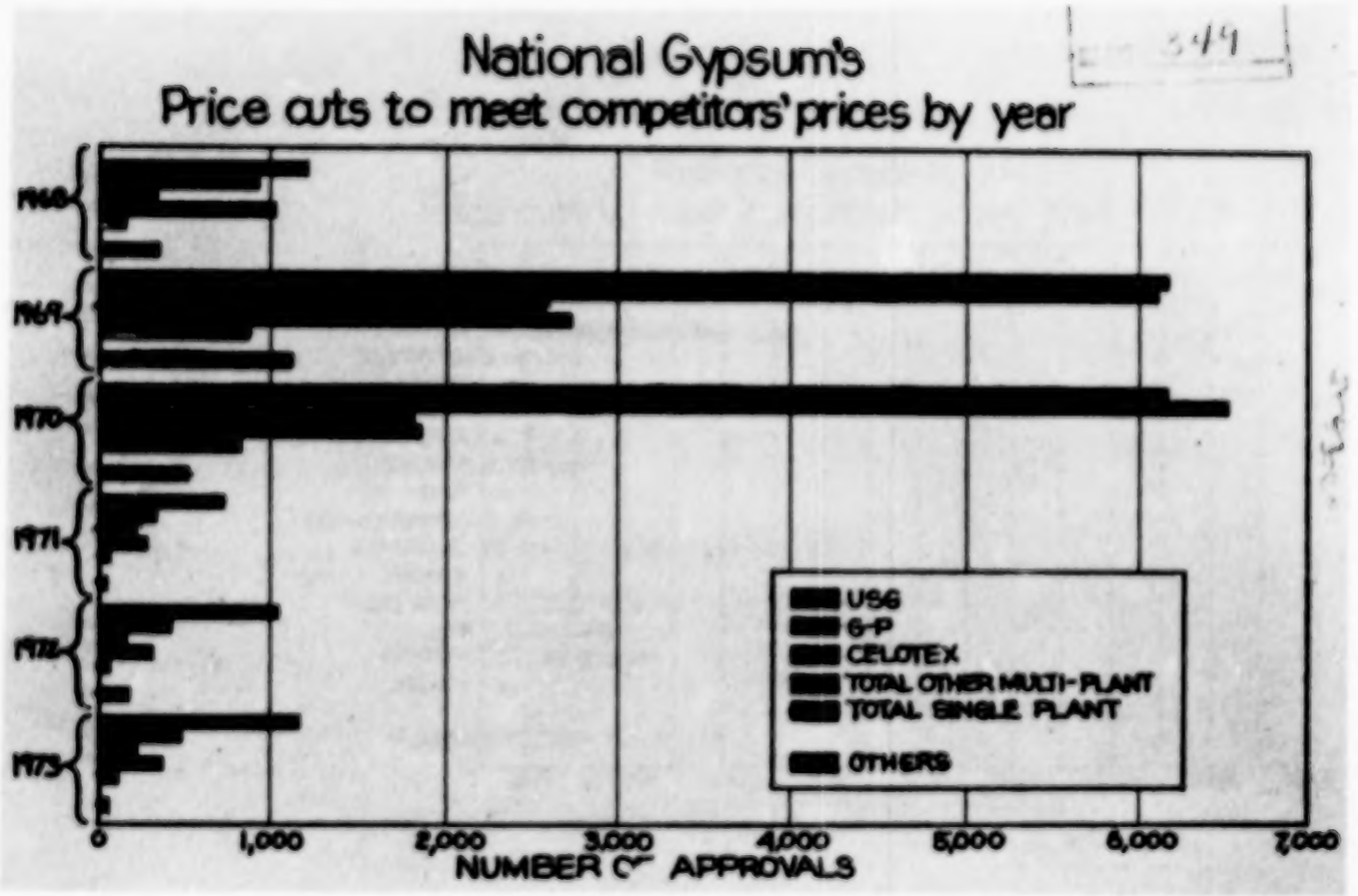


DX (NG) 343

PRICE INDEX COMPARISON
NATIONAL GYPSUM 1/2" WALLBOARD MILL NET
AND
WHOLESALE PRICES ALL CONSTRUCTION MATERIALS
1960 = 100%

YEAR	NATIONAL GYPSUM 1/2" WALLBOARD MILL NET	WHOLESALE PRICES ALL CONSTRUCTION MATERIALS
1960	100.0%	100.0%
1961	102.5	98.1
1962	101.9	97.8
1963	101.8	98.0
1964	99.6	99.1
1965	88.5	100.3
1966	91.7	103.3
1967	96.5	104.6
1968	95.3	110.5
1969	85.[illegible]	117.1
1970	71.[illegible]	117.7
1971	78.4	125.0
1972	83.0	132.4
1973	85.8%	144.9%

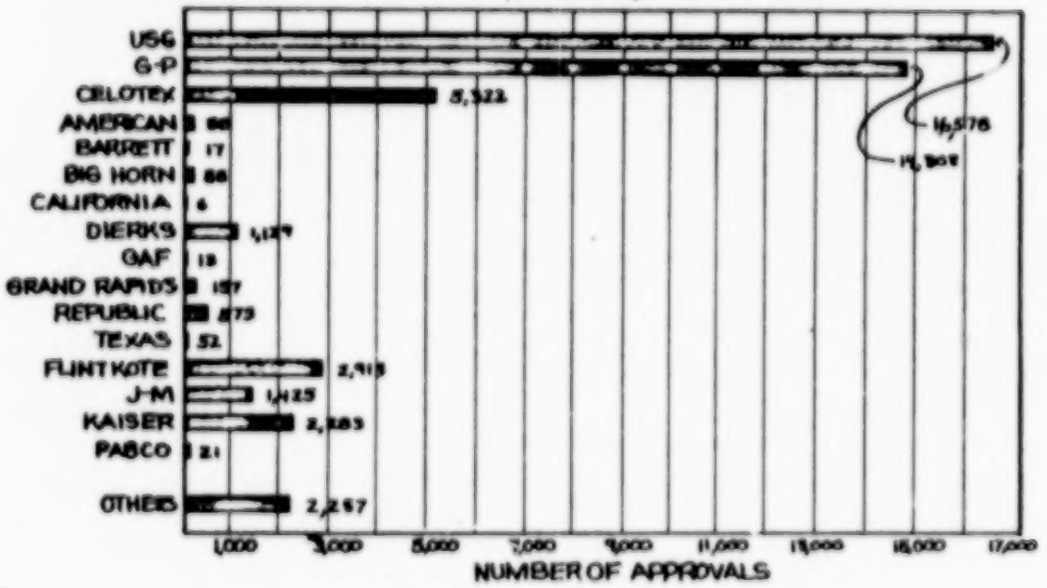
Source: National Gypsum 1/2" Wallboard Mill Net Calculated From Company Wide Profit And Loss Statements Using 1960 As 100%.
Wholesale Prices All Construction Materials From Construction Review Bulletins Issued By Department Of Commerce.


National Gypsum's
Price cuts to meet competitors' prices by year
1968
1969
1970
1971
1972
1973
USG
G-P
CELOTEX
TOTAL OTHER MULTI-PLANT
TOTAL SINGLE PLANT
OTHERS
0
1,000
2,000
3,000
4,000
5,000
6,000
7,000
NUMBER OF APPROVALS

II (B) 351

REJECTED

National Gypsum's
Price cuts to meet competitors' prices 1968–1973

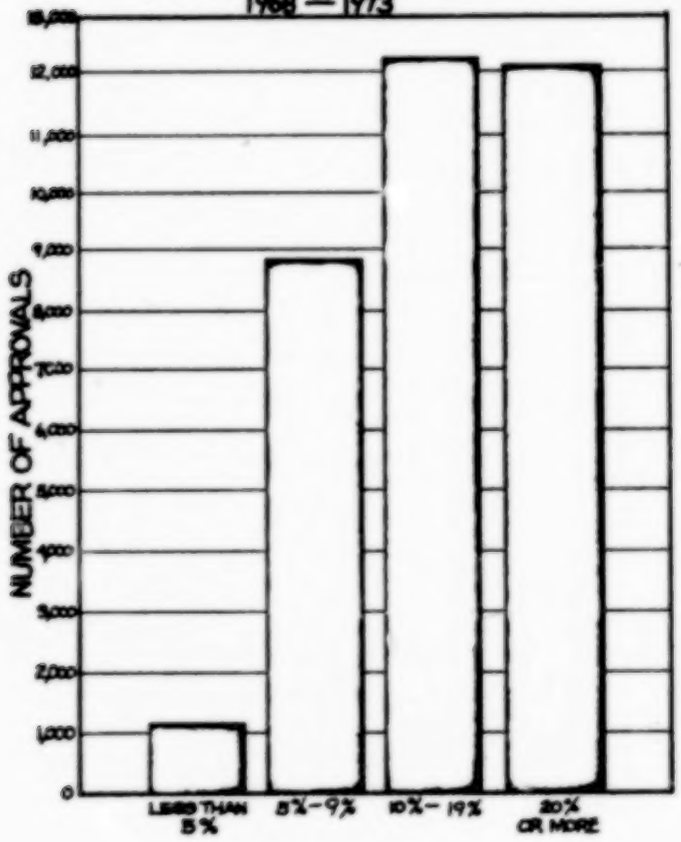


II (B) 351

29013

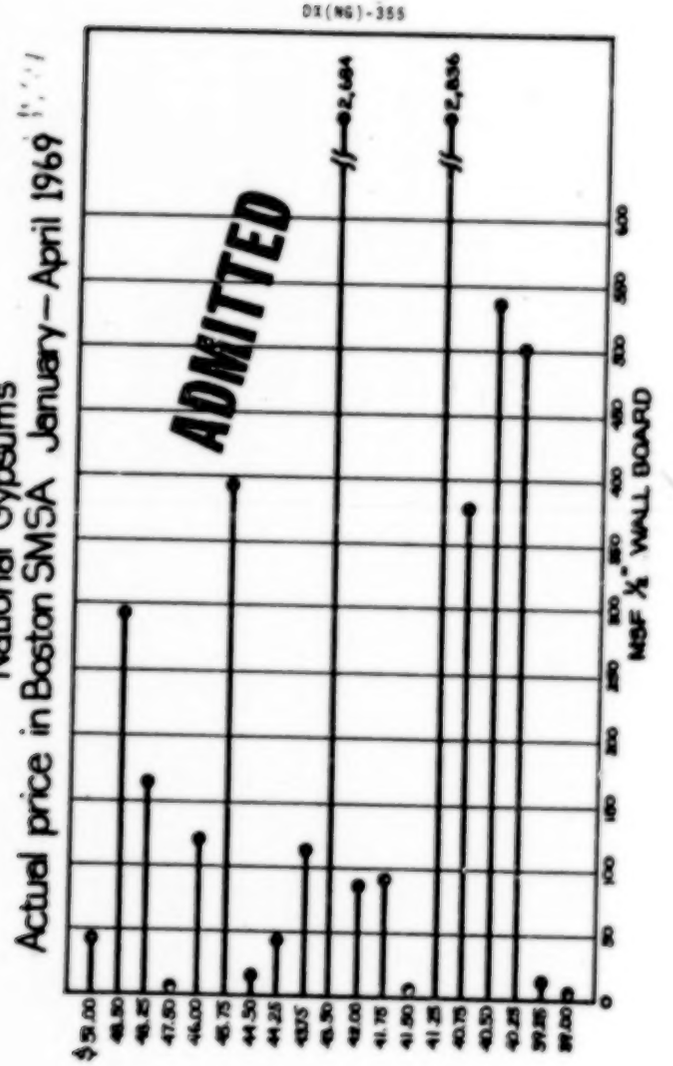
DX(NG)-353

National Gypsum's
Price cuts to meet competitors' prices
% discount off list
1968 — 1973



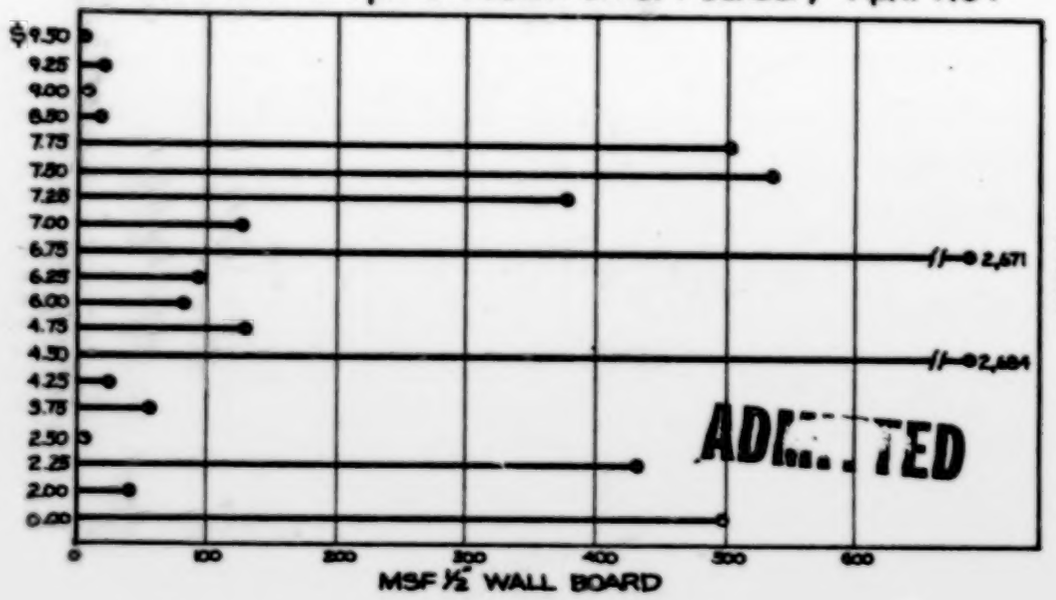
DX(NG)-355

National Gypsum's
Price in Boston SMSA January—April 1969



II (III) 357

National Gypsum's
Discount from list price Boston SMSA January–April 1969

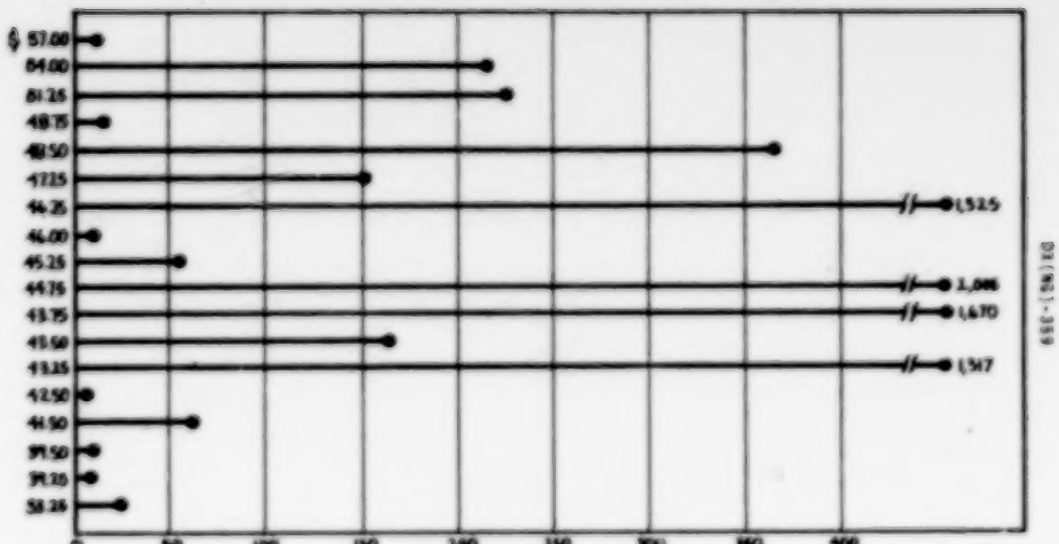


DI (NG)-357

ADMITTED

II (III) 359

National Gypsum's
Actual price in Boston SMSA May–August 1969

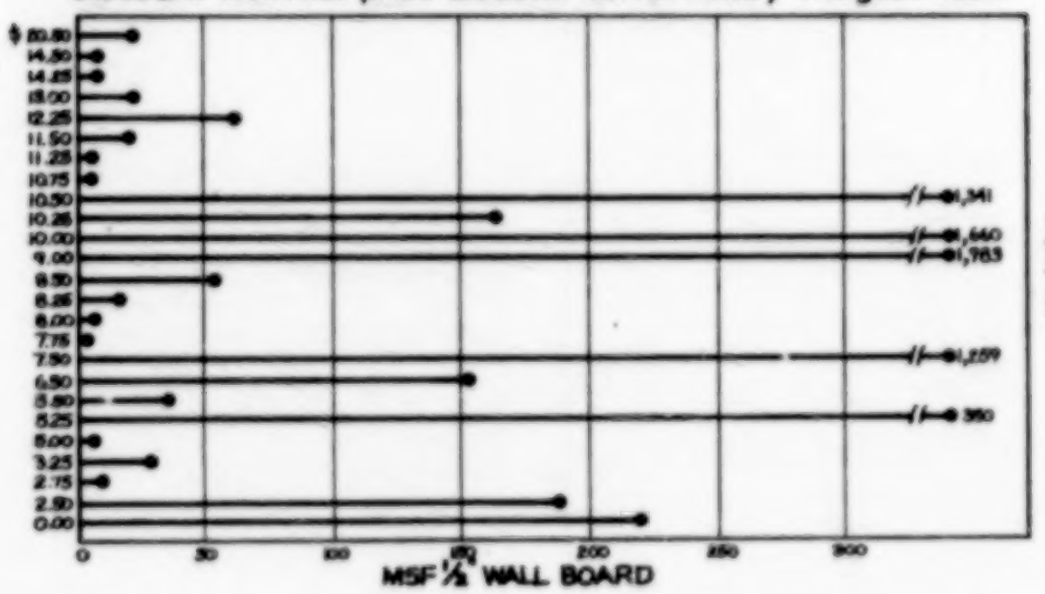


DI (NG)-359

ADMITTED

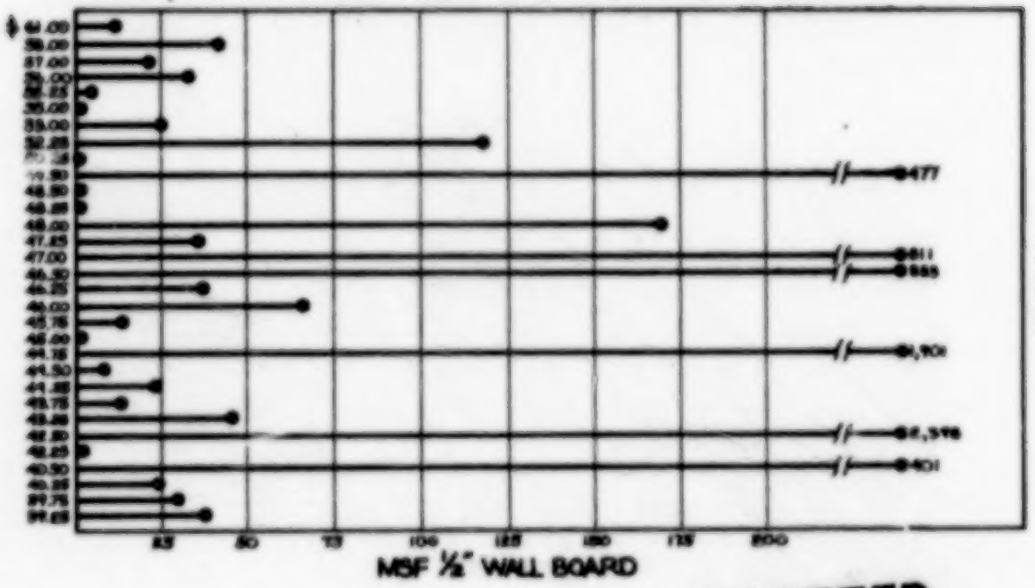
(2) 3L1

National Gypsum's
Discount from list price Boston SMSA May-August 1969



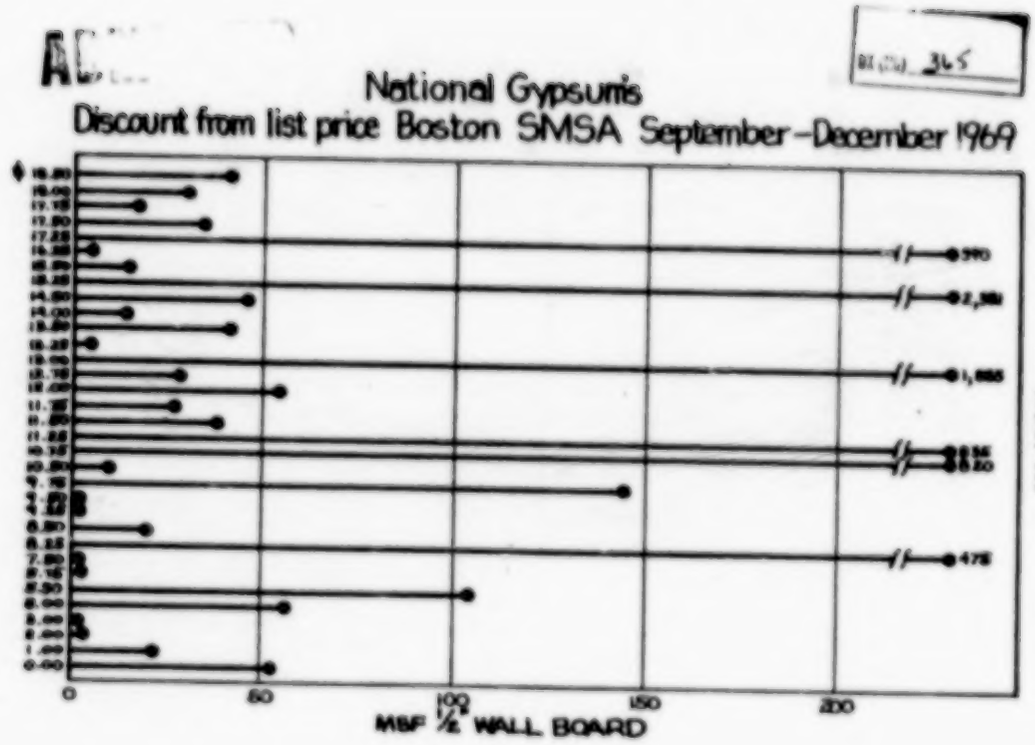
(2) 3L2

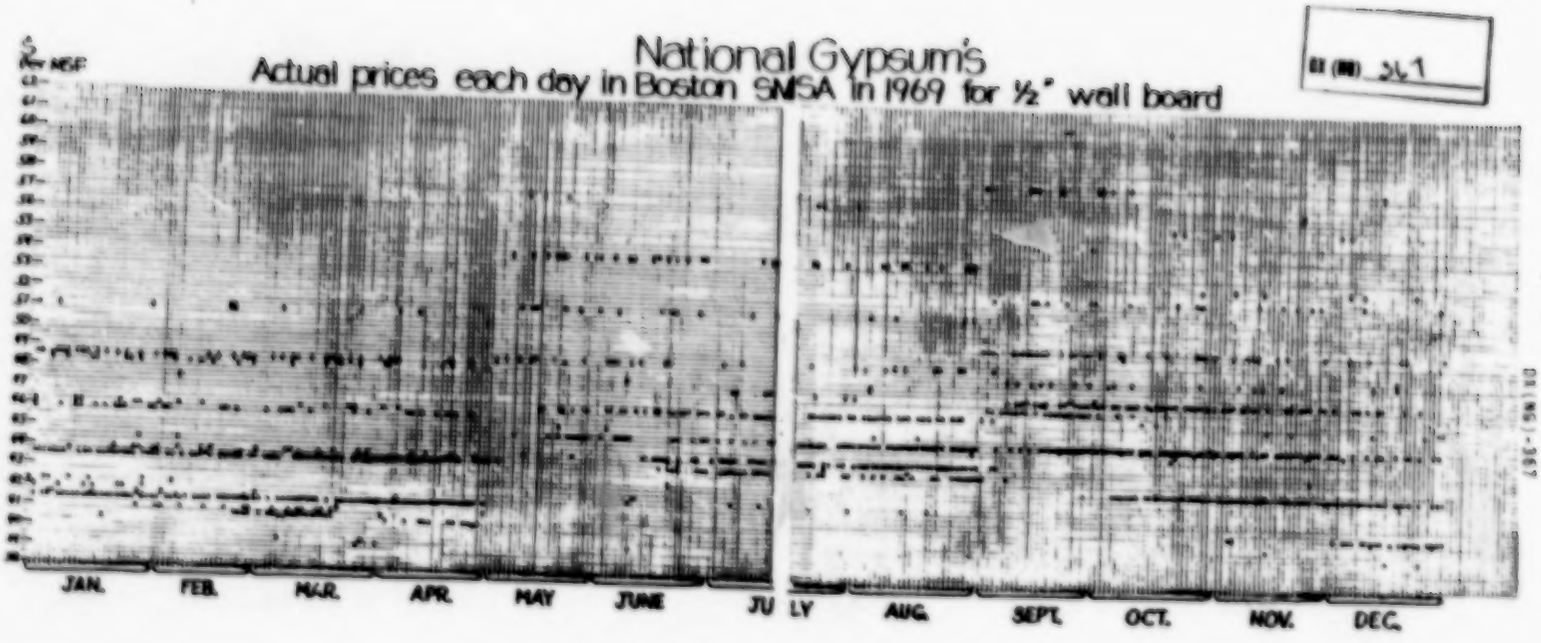
National Gypsum's
Actual price in Boston SMSA September-December 1969



ADMITTED

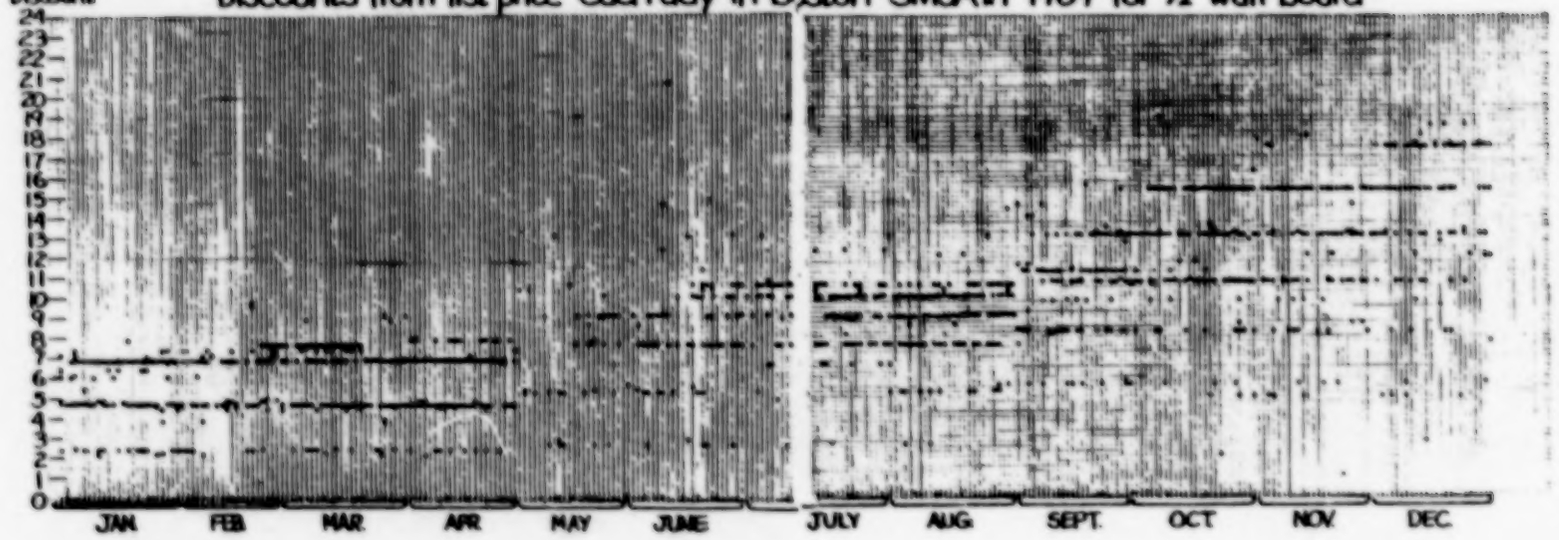
6062


National Gypsum's
Discount from list price Boston SMSA September–December 1969
0
50
100
150
200
MSF ½" WALL BOARD


National Gypsum's
Actual prices each day in Boston SMSA in 1969 for ½" wall board
JAN.
FEB.
MAR.
APR.
MAY
JUNE
JULY
AUG.
SEPT.
OCT.
NOV.
DEC.

DX (NG)-368

National Gypsum's
Discounts from list price each day in Boston SMSA in 1969 for ½" wall board

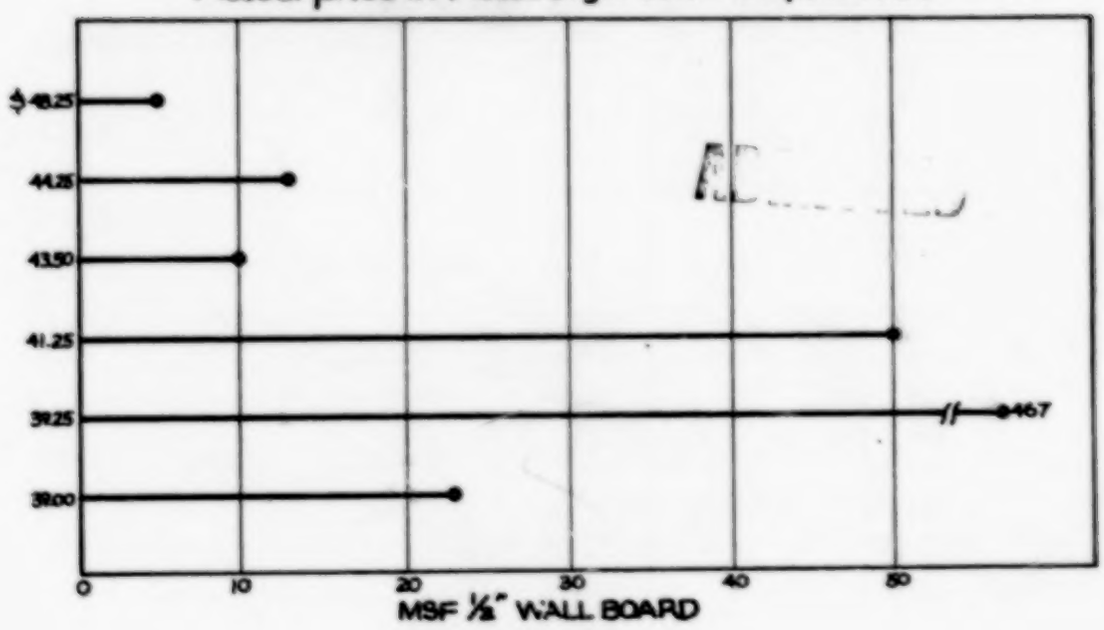


DX(NG)-368

2912

DX (NG)-369

National Gypsum's
Actual price in Pittsburgh SMSA April 1969

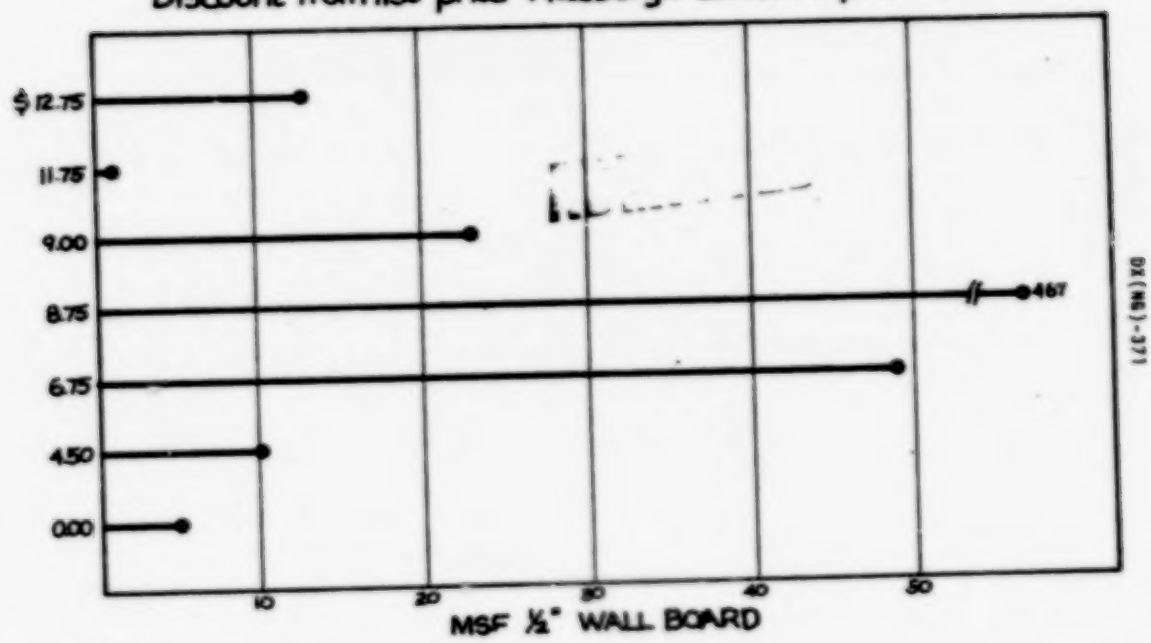


DX(NG)-369

2913

371

National Gypsum's
Discount from list price Pittsburgh SMSA April 1969

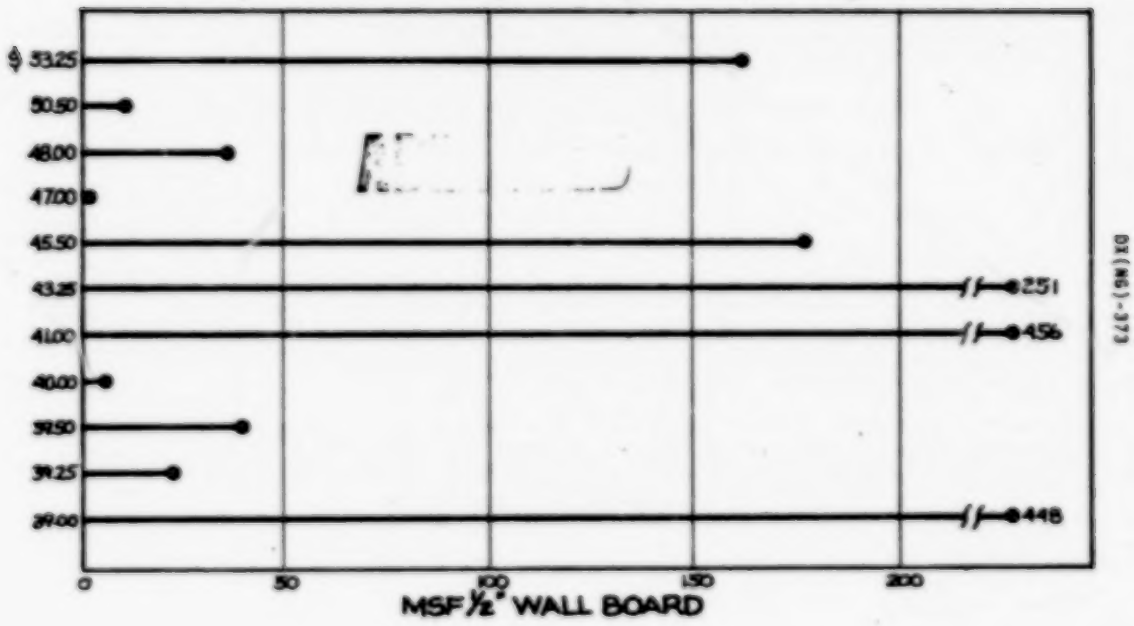


DX(NG)-371

2914

373

National Gypsum's
Actual price in Pittsburgh SMSA May—August 1969

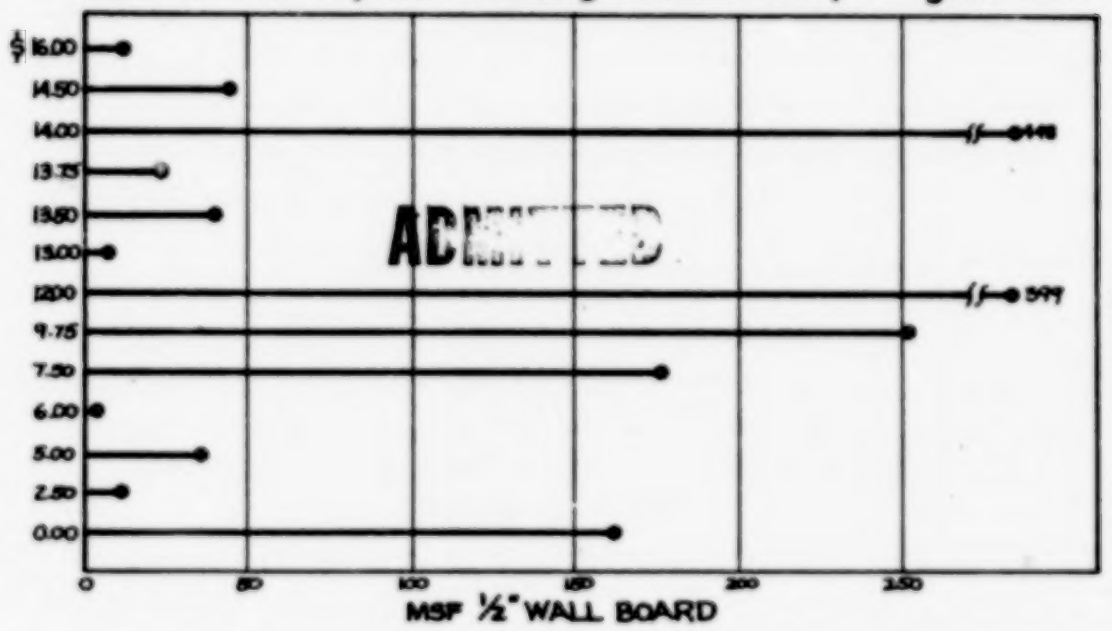


DX(NG)-373

2915

375

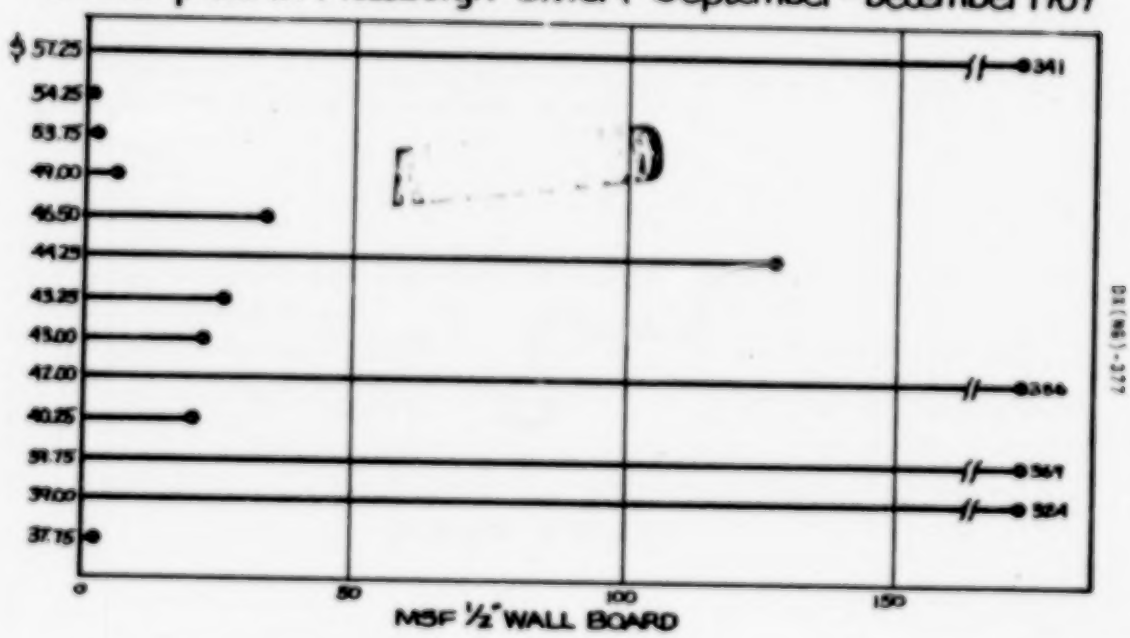
National Gypsum's
Discount from list price Pittsburgh SMSA May – August 1969



DX(66)-375

377

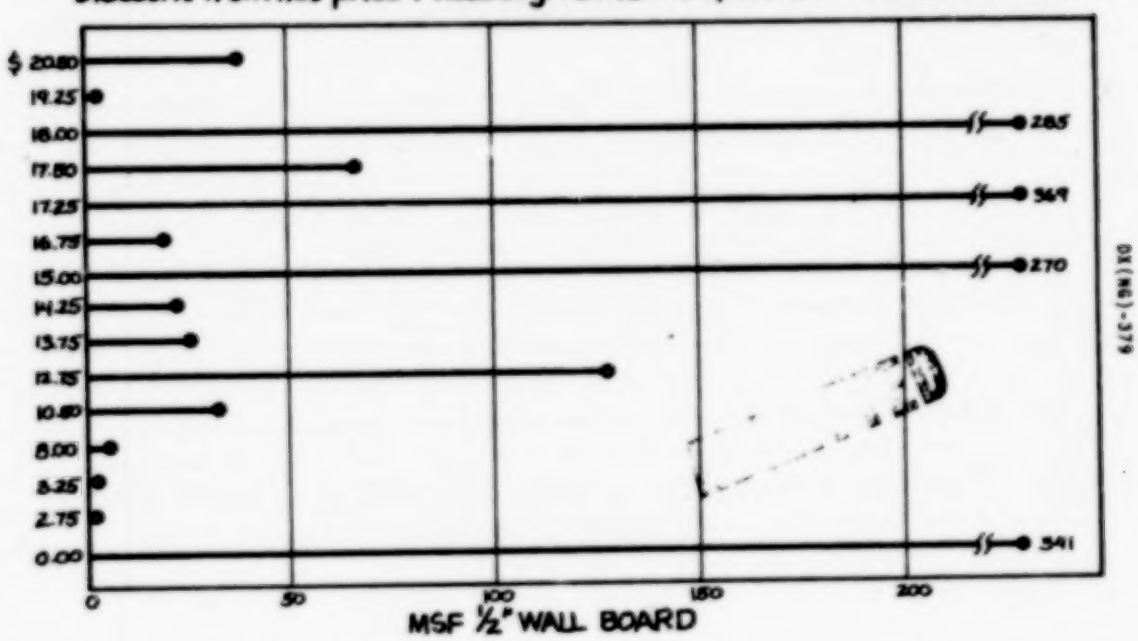
National Gypsum's
Actual price in Pittsburgh SMSA September – December 1969



DX(66)-377

DX (NG)-379

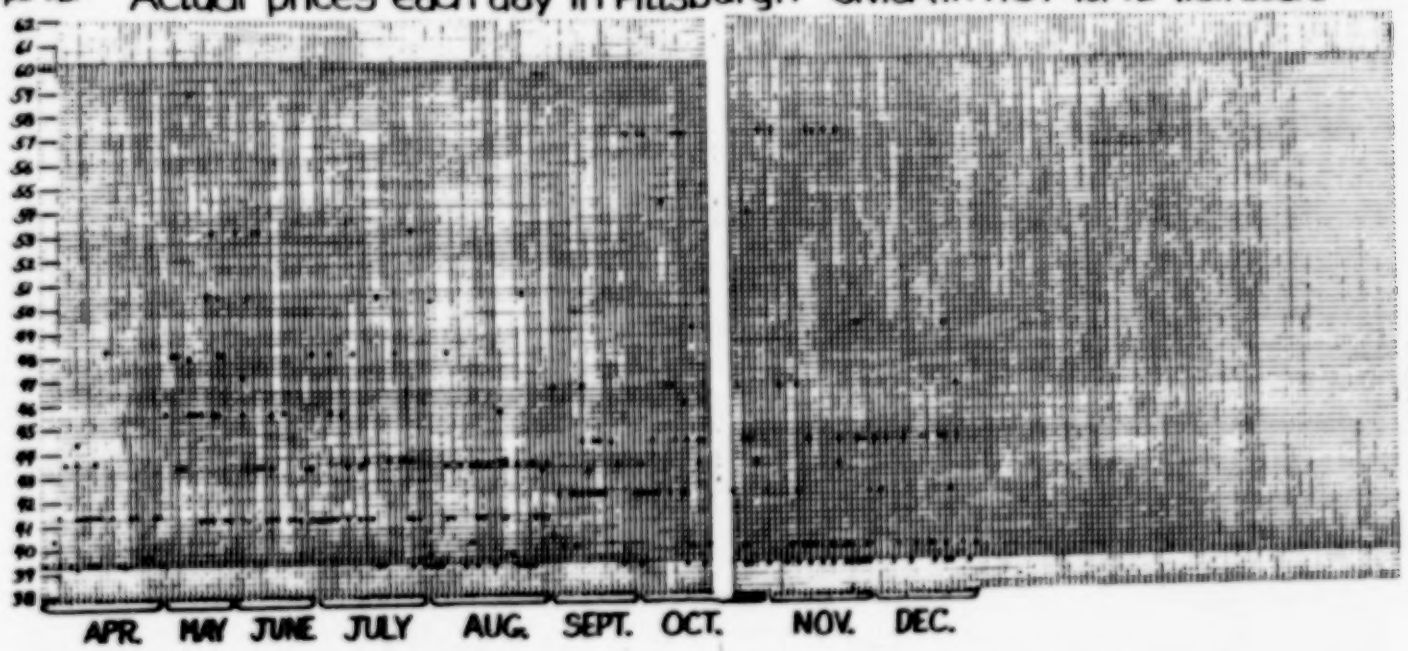
National Gypsum's
Discount from list price Pittsburgh SMSA September–December 1969



DX (NG)-379

2918

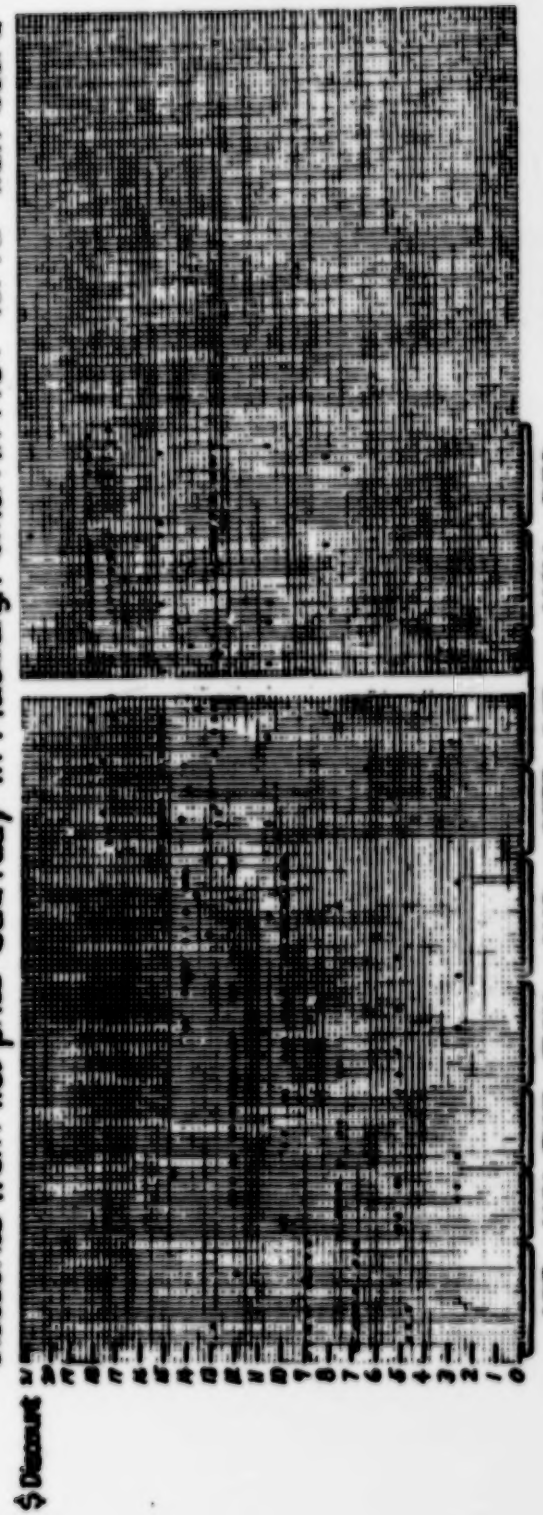
National Gypsum's
Actual prices each day in Pittsburgh SMSA in 1969 for ½" wall board



DX (NG)-381

2919

DX(NG)-382



ADMITTED

DX(NG)-404

January 29, 1969

ADMITTED

GYPSUM PRICES

Average price level of gypsum products in January is 1% below that prevailing for December 1968.

1968 average mill net on all wallboard products is $39.88 (½" $39.21).

Effect of price deterioration in 1968 was approximately $5,000,000 below price level budgeted for actual volume. Annual effect of December 1968 gypsum price level projected to 1969 budgeted volume $14,800,000 below December 1967 price level.

At January 1969 gypsum price level, sales will be approximately ~~$10,000,000~~ 17.5 under 1969 budget for volume budgeted profit contribution $21,500,000 vs. $31,300,000 budgeted.

Offset to above by using 1,550,000 housing starts for budget we have under budget volume by an estimate of 100,000 units vs. latest economic projections. Offset is 150,000,000 feet at 33% market penetration thus above sales volume would be adjusted upward approximately $2.5-Million (profit contribution up same) for this offset.

Including offset at January 1969 prices, we face a $6.5-Million deficit in 1969 profit contribution based on 1969 3.4-billion feet budget.

A $4.00 price increase in gypsum products effective May 1, 1969 on budgeted volume is needed to protect the 1969 budgeted profit contribution (annual effect $10-Million -- 8 months effect $6.5-Million).

Keep Sure Gypsum Estimate level.

250-946 O - 77 - vol. 5 - 24

SI(RG)-404

January 29, 1969

RECOMMENDATIONS

Alternate Courses of Action . . .

I. Freeze prices now and refuse to meet any further deteriorated prices.

II. Announce price increase.

III. Continue to react to competitive prices by meeting competition.

RECOMMENDATION:

Alternate Number Three is recommended.

WHY -- ? :

1. Market is showing signs of being larger in 1969 which will increase industry utilization of capacity from an estimated 72% in 1968 to 80%+ in 1969.

2. Our penetration plans in several sales areas have taken effect. For example: Rotan now on three shifts, as is National City, with Lorain expected to go shortly to three shifts.

3. USG has previously announced to the Trade, no price increase until May 1st. [illegible] 5/1

4. Any price increase in excess of $4.00 effective May 1st protects our 1969 budgeted profit contribution at budgeted volume level.

5. Budgeted volume is reasonable to attain even at less than 25% market penetration. Current economic forecasts indicate a market of 100,000 housing units more than our budgeted base, thus budgeted volume of wallboard could be attained with penetration between 23% and 24%.

8-12

J. P. NICELY — Price Activity Letter — July 18, 1969
E. H. Atwell

cc: J. P. Hayes

SI(RG)-407

The following changes are noted since Earl Roth's letter of June 12.

GYPSUM

Prices on gypsum continue to deteriorate at a rather rapid rate. We probably have lost at least one-half of our May 1 gain in price at this time. In a recent trip I found there are some areas where we are not competitive, as we didn't believe prices were as low as they actually are.

[redacted]

METAL LATH

There is evidence that the new July 1 prices on metal have not taken in many areas. There are still jobs being shipped at old prices and as a matter of fact we have found stock orders being furnished at old prices. We are attempting to hold until we determine whether or not the low we encountered are carry-overs of orders on hand, or whether they were new orders.

OTHER PRODUCTS

There are no significant changes in price on other products.

E. H. Atwell

/rma

J. P. NICELY — Price Activity Letter — August 20, 1969
K. H. Atwell

cc: J. P. Hayes

RK (SE) 409

Following are the changes since my letter of July 18.

GYPSUM

Prices continue to deteriorate to the point where we have lost the best part of our May 1 price increase. Some prices are now lower than pre-May 1 prices.

Price increases in Washington, Oregon and Arizona to be effective August 4 did not become effective. We are handling extension of old prices on a 30 day basis to determine what competition is doing.

METAL LATH

We have been attempting to get our new prices into effect since January 13. We have gradually been able to eliminate jobs protected at old prices and feel we have only about fifteen such jobs left. However, the metal lath prices in Detroit remain at the 1965 level less 10%.

Screw studs and track continue their downward trend in price and are about 2% lower than a month ago.

Contempo-Tell prices went up July 15 by approximately 5% although our Accounting Department tells us we will only realize an additional $1,000 profit for the balance of the year.

FIBERGLASS

Fiberglass prices are unstable in some areas but we are announcing an increase to be effective October 1, 1969. This increase is about 6% but we cannot give you profit figures, as we do not as yet have new costs from our supplier.

ACOUSTICAL

The deterioration of price by 1¢ per square foot on Solitude Lay-In-Panels previously confined to the Southeast, has now spread quite generally to the Central and Northern portions of the country.

We have encountered and met competitive prices on Travacoustic from 1¢ to 2¢ off published prices, but ran into our first competitive price of 3¢ per square foot off published price. This new competitive activity was on a job in Dayton, Ohio, involving 250,000 sq. ft. We met the competition.

ASBESTOS-CEMENT PRODUCTS

Prices on regular asbestos-cement siding have deteriorated on Long Island, from a level of five 6% and one 3% discount to a new level of six 6% discounts.

INDUSTRIAL

We have announced a price increase of $1.00 per ton on Dolomitic Agricultural Lime products, effective September 1, 1969. We are told this effects our profit favorably by $1,170 annualized. We also announced an increase of 80¢ per ton on Dolomitic Glasshouse Fluxing Stone, effective September 1, 1969. This effects our profit favorably by $4,950 annually.

K. H. Atwell

/rms

8/20/69

DX(BG)-422

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: E. E. Kroth - Price and Policy

Subject: Gypsum Prices

Date: October 14, 1949

From: Buffalo - Sales Administration

ADMITTED

DX(BG) 422

Earl:

As a result of the meeting we held on October 6, attended by the Chairman, Calem Brown, Mr. J. P. Hively, Mr. J. P. Hayes, Dan Webster, you and myself we had decided to proceed with the program outlined in the attached considerations as shown under alternate No. 4. I am giving this to you for your files for any future reference.

K. E. Atwell

KEA:ak

DX(BG)-422

10/6/49

ALTERNATIVES --- GYPSUM PRICES

1. Publish new higher prices and permit current discounts to apply.

   a) or publish 8 addition to present list.

2. Keep published list same and announce elimination of discounts (or partial elimination).

3. Do nothing and wait.

4. Reason at new lower list ... eliminate discounts.

BEST COPY AVAILABLE

DI(86)-422

10/6/69

RECOMMENDED PLAN (#4)

1. To rezone into 18 (½" Board) Zones at new lower prices.

2. To eliminate all discounts.

3. To be effective January 1st. To be published by October 13th.

4. Restate elimination of all discounts on Vinyl Board, Gypsum Sheathing, and other categories where possible.

5. Narrow the traditional spreads between wallboard of varying thicknesses (making selective increases possible based on cost data).

DI(86)-422

10/6/69

WHY # 4

1. Provides substantial amount of actual increase.

2. Cleans up confusion. Some areas still on Pre-September 1 and Pre-May 1 Price Lists with % discounts. Dealers don't know what price is.

3. This approach was successful in 1966 and cleared confusion for several months (18-24).

4. If competition follows it could get us past 1970 to expected upturn in market.

5. Provides opportunity to restate elimination of discounts on Vinyl and Sheathing, and make selective increases on optional products.

6. Large numbers of jobs were protected by competition after 9/1 "thru December 31, 1969". No knowledge of protection beyond.

DI(86)-422

10/6/69

RESULTS OF PLAN #4

1. At list, realization is $19.8 MM above today's actual realization.

2. On average approximately $7.00 increase from present actual selling prices. Approximately $7.00 on average below published list.

3. Annualized realization is $14.0 MM at level of new proposed list less 8%. (After January 1, 1968 decision to meet competition, it took 15 months to reach competitive level of 6% off.)

NG 100185

DI(86)-422

10/6/69

QUESTIONS

1. West Coast ? — Yes. Even w/ 12/21/69 inc.

2. Trucks at C/L 20T ? — Yes.
   10T ? — 0 Markup.

3. Change terms ? Bad Timing ? — No

4. Press Release ? — Tentative Yes. W/W.S.

5. New Zone Plan.
   Some Lower.
   On balance higher.
   Concerned about equity.
   "REDUCED LIST PRICES" ???
   Higher raw material costs.
   Higher labor costs.
   Etc.
   Compared to previous time period.
   Improved Production Efficiency.

6. Do we use a future date in announcement ?
   If yes, what date. — No.

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

To: FIELD SALES FORCE
EAST AND WEST

Subject: GYPSUM BOARD MACHINE PRODUCTS PRICES

Date: October 10, 1969
From: Buffalo - Price & Policy

cc: W. W. Gerber
C. D. Harless
F. B. Phillips
G. M. Stewart
F. R. Griffin

DX (NG) 424

Attached is a copy of a letter and price bulletin which is being mailed to our customers today. Please read these carefully and note:

1. The same price is now applicable on carloads and truckloads (where authorized).
2. A price is now published to apply on stopover portions.
3. The new minimum quantity on rail stopovers.
4. The new markup for foiled products.
5. Elimination of all discounts and allowances, except cash discount.

In those few cases, where the new list prices are actually lower than those the customer is now paying, we will make the new prices effective immediately; but in no case will any discounts, other than cash discount, apply from these new list prices.

We feel very strongly about the need for positive action. The price concessions given to remain competitive in recent months have seriously reduced our profit. This announced price change is an effort to recover increasing costs of wages and raw materials and also to prevent price discrimination among customers.

Our Company is a leader in the industry. As its representative in your specific market, you must approach each customer with a positive attitude -- "The new prices will become effective - and no discounts will be allowed from these lower list prices." Any less positive attitude will be detrimental to this program.

Please contact each of your dealers to insure that he has received and thoroughly understands the new program. If you need additional copies of the letter and price bulletin, contact your District Sales Office.

E. L. Kropf

DX (NG) 424.32

NATIONAL GYPSUM COMPANY

EXECUTIVE OFFICES : 325 DELAWARE AVENUE - BUFFALO, NEW YORK 14202

October 10, 1969

TO OUR CUSTOMERS

Effective January 1, 1970, we are revising our prices and policies on gypsum board, lath, and sheathing products. These new prices enable us to partially recover the spiraling costs of manufacturing, wages, raw materials, etc., experienced to-date. As a matter of fact, some of these prices are actually lower than the prices in effect ten years ago on comparable products.

The vigorous, competitive activity which has resulted in various price levels in many markets, causes us to be concerned. Therefore, we have rezoned areas and revised policies to assure our customers they will receive equal prices and services within a zone.

The attached price bulletin is being sent to you now as an aid to your future planning. No discounts, except cash discounts, will apply to these prices. No price protection will be extended.

NATIONAL GYPSUM COMPANY

U. S. GOVERNMENT PRINTING OFFICE : 1977 O - 230-248 (Vol. 5)

Supreme Court, U. S.
FILED
JAN 13 1978
MICHAEL RODAK, JR., CLERK

APPENDIX

Volume VI, Pages 2935–3479

In the Supreme Court of the United States

OCTOBER TERM, 1977

No. 76-1560

UNITED STATES OF AMERICA, PETITIONER
v.
UNITED STATES GYPSUM COMPANY, ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

PETITION FOR CERTIORARI FILED MAY 9, 1977
CERTIORARI GRANTED OCTOBER 3, 1977

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DI(86)-429

Gold Bond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To COLON BROWN Subject Gypsum Pricing Date September 28, 1970
From President
Building Products Division

ID NO. 429

In accordance with established policy referred to in your letter of May 26, 1970, I am recommending a change in our gypsum pricing strategy effective at once.

BACKGROUND ...

ADMITTED

1969 EXPERIENCE.

Throughout this year the size of the construction market was continually shrinking with the impact of continued tight money. We assumed a strong position of leadership in attempting continued price increases. Our price increases attempted in January, May and September, eroded in the months following the effective date; however, at year end our selling price level was not substantially below the year's average price, and thus despite a decreasing marketplace we had effectively maintained a fairly level gypsum price level even if we were unsuccessful in our attempts to increase the price level.

1970 EXPERIENCE.

In the current year we attempted a price increase in January which was unsuccessful. This was posted near to the low point of residential construction volume. Prices continued to erode to a low in June, and it now appears that prices for the last half of 1970 will be on a trend increasing modestly from the low June level. As a matter of policy we declined to take a leadership position in price announcements after the second quarter of 1970. In monitoring the activities of our major competitors by reports from the field, it is apparent that those competitors have vacillated back and forth in attempting to increase their selling prices and the actual result in the field has been negligible improvement.

It seems apparent that with our 25% market penetration we are too large a factor not to take an aggressive position in regard to prices.

NG-A-92

meeting Sept 1 (RS-JB-JB-EA-C.B.) decision--further consideration and search for innovative plan for profit improvement on Gypsum products

DX(BG)-429

Gypsum Pricing — Page 2

Therefore, I am recommending a change in our posture for gypsum pricing. I am recommending that we take an aggressive position by announcing a general gypsum price increase of approximately 8% to 10% magnitude effective December 21, 1970.

a) December 21st is a normal cut-off date for invoicing purposes.

b) We have documentary evidence of a significant amount of gypsum price protection by competition until the first of the year.

c) The December 21st date allows for minor amount of "slop-overs" in the few remaining shipping days of 1970.

d) A side benefit would be to stimulate December sales. In this regard, previous experience has been that there was as much as 50-million feet of advanced buying which could stimulate an extra profit contribution in the neighborhood of $600,000 during December.

e) I recommend that we publicize this increase by letter to the trade and that we specifically refer to the well known feature of fuel cost increases, freight rate increases, labor rate increases, etc.

f) I recommend that we post a dollar and cents selling price increase from the present low levels without reference to our present published price list or without reference to geographical areas where there are some competitive discounts from present list.

g) I would plan to make each of these announcements on a regional or market area basis. The impact of these announcements on an annualized basis would be $7.8-Million profit contribution which comes at a time when the market is on a generally strengthening trend.

1971.

Regardless of any erosion or localized competitive situations that might result from our December 1970 price increase, I propose a very aggressive plan and schedule of "rolling gypsum price increases" by regions and by products throughout 1971.

1. This plan would call for price increases in some geographical areas and on some products at least every thirty days.

2. This would call for more modest ($1.50 to $2.00) but frequent increases to be continued all year.

3. Announcements would be made by letter to the trade indicating the reasons why, and defining our policy of no job protection.

NG-A-93

DX(BG)-429

Gypsum Pricing — Page 3

4. It is believed that a continuing effort on a case-by-case basis in this regard, would have the effect of offsetting any erosion of prices due to competitive activity even if the market was slow in continuing the predicted upturn.

* * * *

We are prepared to move on this immediately, and your concurrence is requested.

John P. Hayes

JPH/rss

NG-A-94

DI(86)-430

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: COLON BROWN

Subject: Building Products Division
1970 Activity Letter

Date: February 24, 1971
From: President
Building Products Division

File under
Jack Hayes

ADMITTED DI(86)-430

I. GENERAL

January 1, 1970 was the effective date of complete separation of the Building Products Division from the Corporate Staff structure. Previous to that date many services, mainly Accounting, Financial, Informational (Computer), Legal, Personnel Relations, were joint functions having both divisional and corporate staff administration. The Chairman also had functioned as President and CEO of the Division.

The physical office at 325 Delaware was realigned during the first quarter with the Corporate Staff occupying the front half of the second floor, and the Building Products Division occupying the balance of the building. There are still certain overlappings of function which remain to be realigned in the future. Certain of these such as legal and personnel matters have been delayed for economic reasons.

II. MARKETS FOR OUR PRODUCTS

As 1970 started it was apparent that the physical volume of construction was unlikely to reach the level projected in developing our 1970 budget.

NG-A-95

DI(86)-430

Building Products Division
1970 Activity Letter — Page 2

Interest rates were quite high and mortgage money in short supply for residential construction. The financial pinch on industry was causing a slowdown in commercial and industrial construction as well. Further, our 1970 budget for our major product, Gypsum Wallboard, called for a market penetration of 29% vs. a 1969 penetration of 23.9%, and 1968 of 22.9%.

The efforts of government to stimulate construction were being publicized and there was some doubt as to how much impact government action would have in calendar 1970.

Analysis thus indicated the immediate need to redirect our selling efforts. Actions taken included:

A. A reemphasis of our "financial marketing" approach whereby the Credit Department helps develop financial aid to potential large volume creditworthy customers.

These programs during 1970 are estimated to have resulted in $6,546,000 additional volume, having the effect of an additional 175,000 MSF of Gypsum Wallboard. No additional credit exposure was experienced.

B. A new function, that of Industrialized Housing Sales, was started. This involved the selection of nine experienced

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Sales Engineers under the sales management of K. G. MacIntosh, to sell on and sell only the major companies producing Mobile Homes, Modular Homes and other factory-built shelter. Appropriate support was developed for this Sales Force by Research & Development, Sales Promotion, and New Product Development. Although this function is still relatively new and growing, their efforts in 1970 resulted in sales of $1,350,000 and the introduction of three new products.

C. Increased activity of the National Accounts Sales Team. This function under the direction of James Christy, contacts and sells the major national or regional chain merchandisers such as Sears, Wickes, Lowe's, Moore's Stores, Lumbermens Merchandising Corporation, etc., as well as the largest builders and developers such as Levitt, Kaufman & Broad, Leisure Technology, Mayerhoff, etc. This function also coordinates with other National Gypsum Company Divisions resulting in the sale of some ceramic tiles, Multicolor vinyl, and other items. Their activity during 1970 resulted in overall sales to assigned national accounts of $34,000,000 and of this $10-million was in wallboard products -- an estimated 314,000,000 S. F.

By year-end our penetration in all major product lines had improved over the previous year, with the exception of Insulation Board Products from Mobile. Here we were running well ahead of the previous year's penetration level until we incurred a seven week strike in September.

Market penetration in our major product line, Gypsum Wallboard, increased from the 23.9% level of 1969; to 25.6% in 1970; and a twelve months' record volume of 2,370-billion S. F. was sold -- only 4% below our budget despite the construction activity slow-down.

III. PRICES

Our price philosophy as we entered 1970 was consistent with the recent past, and in line with the expressed mandate of our Corporate Board Of Directors --

-- that we would be aggressive in attempts to increase prices to acceptable levels,

-- that we would meet competitive prices where we found them evidenced in the marketplace,

-- that we would not be price cutters ourselves but would not give up our markets to others who cut prices,

-- that we would at all times observe the spirit and letter of the law.

We had previously been the initiator of a price increase to become effective January 15, 1970 on Gypsum Products of about 17% above the November - December 1969 actual selling price level. We needed at least 60% effectiveness of this price increase to be up to the price realization level used in making up the budget. Not only did this price increase not hold, but further price deterioration set in on Gypsum Products. While we held our announced price levels in January and February to encourage support in the marketplace, our penetration dropped from the 25.9% level of December 1969, to 21.1% in February 1970. This experience dictated that we maintain a competitive price in the market and also that we refrain from the risk of trying to be a leader in increasing the price level until the market strengthened.

Gypsum prices continued to slide downward reaching a low point in June 1970. Competitors announced a July 1st increase on the West Coast which was partially effective and a September increase in the southwest which held. An attempt at an August increase announced for the thirty eastern states failed. In all cases we followed the actions announced by competition in the field. As the market continued to strengthen thru December, competition announced an increase effective January 4, 1971. We followed.

In summary, there were price increases announced during 1970 having an

annual effect of over $34,000,000 in the various industries in which our Division operates. Announcements initiated by us account for nearly 80% of this total. Our success in the non-gypsum area was significant, however, the serious erosion in the gypsum area could not be overcome. Of the total unfavorable price realization from the 1970 budget level of $14,144,000 gypsum accounted for $13,907,000.

(At this writing, the January 4, 1971 gypsum price increase appears to be about 75% effective indicating a stronger market, and we have initiated the announcement of a further increase effective April 1, 1971.)

IV. COSTS

Raw Materials. Our 1970 budget called for a slight increase in the cost of our raw materials. Actual experience in 1970 showed raw material prices (costs) increasing 3% over budget and the 1969 level. Principal factors involved in the $437,000 increase from the previous year were fuel, steel, chemicals and freight. This item of raw material cost is of a serious nature because of our large purchases and 1971 is predicted to show one of the most severe increases in the last decade. Our Manufacturing and Purchasing personnel are constantly on this problem and Research efforts toward raw material substitutions have been stepped up.

Labor. During 1970, thirteen labor contracts were negotiated on a two year basis. The total increase in labor contract settlements for the affected plants was 6%. At the same time, the total number of hourly employees in the United States was reduced by 218, .to 4,877, or a decrease of 4%. The average straight-time hourly earnings at all plants increased from $2,983 to $3,181 — or a total of 6.7%. Some of this was affected by adjustments resulting from increases granted as part of the previous year's negotiations. Strikes occurred at the Savannah gypsum plant (5 days), and at the Mobile Insulation Board Plant (36 days), as well as a 3-day wildcat strike at the Niles, Ohio Metal Fabricating Operation.

Overhead. As early as February it was noted that an overhead reduction was in order due to projections of lower price levels and uncertain market volume. Plans were formulated and put into effect in the Division prior to the May Corporate call for Overhead Cost Reductions. The result of these actions was that the Division achieved in 1970 an overhead level of $1,346,000 below budget (8.9%) and achieved a level of $397,000 (1.9%) below the overhead experienced in 1969.

The total number of salaried employees was reduced from 2317 to 2144 -- a total of 173 (7½%). Merit salary increases for those remaining averaged 8.7%.

NG-A-101

Individual categories of Overhead were carefully analyzed and decreased. Typical results are as follows:

Administrative Expense

— down $94,000 (1.6%) as compared to 1969, and down $410,000 (7.6%) as compared to budget.

Selling Expense

— selling administrative expense was down $62,000 (2.9%) as compared to 1969, and down $322,000 (9.7%) as compared to budget. Offsetting this, however, field selling efforts (Representatives) cost $228,000 more than in 1969 as territory realignments and manpower cuts came during the last half of the year and did not fully offset the first half's increase in cost.

Advertising Expense

— down $418,000 (19.8%) as compared to 1969, and $868,000 (35.1%) as compared to budget.

By way of comparison, our 1971 plan calls for holding Overhead at about the 1970 level, despite a projected 15% increase in sales. This in effect holds Overhead at about the actual 1969 level.

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Miscellaneous. Results in 1970 included the adverse effect of approximately $1,290,000 in Hilton Paper Plant startup costs.

V. NEW PRODUCT INTRODUCTIONS

During the year we introduced new products including:

TECTUM II -- a roof plank having polyurethane insulation, factory-applied during production, which opens up a new market for us and eliminates the need for job-installed insulation.

DURAFORM GYPSUM WALLBOARD -- an embossed prefinished wallboard for use in the Mobile Home market which has not used gypsum to any large extent. It is also suitable for the factory-built housing market.

SUNGUARD ASBESTOS CEMENT LAY-IN PANELS -- were introduced. These are self-sanitizing, bacteriostatic finish ceiling panels, giving us an entry into the market where high humidity conditions exist and where cleanliness is essential such as dairies, meat packing and food processing locations.

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THERMO-WELD -- a new system of taping joints in gypsum wallboard was introduced. Primarily intended for the factory-built housing market, this new product permits a joint to be completely finished in one hour vs. the normal two or three-day drying/taping cycle.

METAL EDGE COREWALL -- perhaps one of the most exciting new product developments to be released. This is an innovative gypsum system for fire-rated enclosure of stairwells and elevator shafts. The early success of this system indicates the possibility of eliminating expensive concrete block now used to enclose these shafts in multi-story construction and is a new use for gypsum.

ED4 ASBESTOS FIBRE -- at Thetford, a new blend of Asbestos Fibre known as ED4 was developed to enable us to use available fibres in a composite product which sells for a higher price in the international market. The additional annual profit contribution is projected at $101,000.

NG-A-104

We deleted Fireshield Plaster which was a spray-applied fireproofing for the steel members in commercial construction. While we dropped this product, we negotiated an arrangement to deliver our patents to W. R. Grace Company and become their supplier of asbestos fibres and gypsum stucco for the manufacture of their spray-fireproofing product - Monokote.

VI. FACILITIES

Major additions to our system of plants and warehouses included:

The modernization of the wood-pulping facilities at Mobile at a cost of $868,000 and projecting annual after-tax savings of $158,000.

The new Duraform manufacturing line at Savannah, at a cost of $587,000 and expected after-tax profit improvement of $143,000.

A modernization of our gypsum board line at Portsmouth, New Hampshire, at a cost of $507,000 which will result in an after-tax profit improvement of $200,000 annually.

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The addition of three Supply Centers at Dallas, Memphis and St. Louis, providing us with combined annual after-tax profit improvement of $245,000.

Facilities to manufacture Foam-backed Texture at Newark, Ohio were completed at a cost of $127,000 and an annual projected profit contribution of $213,000.

Facilities at the Matteson, Illinois Plant for the manufacture of Spray Texture with a Polystyrene Foam Base, at a cost of $91,000 and an annual projected profit contribution of $140,000.

Facilities at New Orleans for drying Woodrock Panels to enable us to manufacture these panels for industrial use at a cost of $158,000 and an annual projected profit contribution of $82,000.

At Gibsonburg, Ohio the Calcimatic Kiln to manufacture Industrial Lime was completed in late 1969 but the startup was not completed until 1970. Capital cost was $1,730,000 and the annual profit contribution is projected at $272,000.

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> Concentrated effort on balancing our gypsum board process resulted in net speed increases of 6% for all plants. This speed increase relates to added capacity of approximately 196-million square feet annually ... or the equivalent of one additional gypsum plant.

Complete revisions to the Capital Appropriation Budget were made in mid-year. Our original budget anticipated capital appropriations of $14,704,000 during the year. By careful analysis on an item-by-item basis, these were reduced to an actual level of $4,778,000. No deferrals of appropriations were made where we had a commitment outstanding in the matter of pollution control. A significant area of deferral was in rolling stock from fork lifts to large graders and trucks. These will be substantially replaced in 1971. The net effect of capital appropriation and expenditure curtailment resulted in operation of the Division well within our depreciation schedule of $10,399,000.

Certain facilities such as the St. Louis asbestos cement plant, the New York gypsum plant, the Dover, New Jersey Warehouse, were identified as questionable profit-producing facilities for the future due to high costs, age, obsolescence or decrease of market for the products ... and plans were initiated to reach an early decision regarding the future of those facilities or product lines.

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VII. PLANNING

A revised method of Long Range Planning was started. With the development of a Five Year Plan, documentation of the Division's growth goals and objectives will provide a roadmap to insure success in utilizing our resources in a profitable growth balance with the customer needs served by those resources. It is the intention of the Division Five Year Plan, to detail entrepreneurial programs on a systematic basis. The structure and process of the planning cycle has been established along with assignment of individual responsibilities.

VIII. MISCELLANEOUS

1. The first successful negotiation was completed in 1970 for the licensing of the joint patent which we hold with Union Carbide on a silicone sizing process improving gypsum wallboard paper. USG has licensed the process, and we anticipate a royalty income of $100,000 per year. (Another way of looking at this is to anticipate 3¢ profit per MSF on the wallboard which they sell.) Union Carbide is proceeding in negotiations with other manufacturers.

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5. Our accounts receivable system was computerized resulting in improved credit information, the best customer statements in the industry, greater security for our $60-million asset and clerical savings.

5. Gypsum wallboard pricing was converted to the computer resulting in improved accuracy and reduced plant clerical effort.

4. Sales Management needs were recognized by a revision in a computerized sales reporting system. Information on penetration by markets and sales expenses as well as customer shipment information, is now more timely and reliable.

5. As a result of our efforts, the members of the Gypsum Association have agreed to expand the number and types of products to be reported, as well as reporting shipments on a regional basis (previously national totals only); thus improving market penetration data.

6. The Research facility embarked on a program to sell services to outside private parties in the fire-testing area. 1970 income

amounted to $20,000 and a backlog exists for 1971. Also, an acoustical testing service was added and a prospect mailing was made. These services are made available in a manner that does not hinder our own requirements.

IX. CONCLUSION

The problems of 1970 particularly in the area of gypsum market price which resulted in serious erosion of profits (accounting for 84% of the Division drop in profits from 1969 to 1970), were so much at the forefront of our thinking that it is somewhat understandable to find that broad areas of progress during the year might be overlooked.

A recap of the year such as the foregoing, reveals the successes and failures. It surely indicates that the Building Products Division developed, for the first time, into a functioning unit, and that a start has been made on a broad number of problems. The tools for controlling the business are generally adequate. The managers are experienced and energetic. The shortcomings and failures of 1970 will be replaced with progress and success in 1971 and ensuing years.

JOHN P. HAYES

JPH/rcs

NG-A-110

DI(86)-431

Interoffice correspondence

date February 1971

from John P. Hayes

subject GOLD BOND BUILDING PRODUCTS DIVISION
1971 ACTIVITY LETTER

CONFIDENTIAL

ADMITTED

IX (III) 431

I. GENERAL

1971 was the second full year operating as a separate and autonomous Division under the new Corporate organizational structure. Significant revisions to the Division organization were made to operate more effectively. Realignment of Manufacturing Operations, Sales and Controllers Departments eliminated excessive levels of authority and improved the lines of communication at no expense to the efficiency of the Division's activities. In the face of substantially increased business volume during 1971, the total number of salaried employees was reduced from the 1970 level.

II. MARKETS FOR OUR PRODUCTS

Despite a slow start during the first quarter of 1971, total construction activity increased 21% over 1970 performance. A dramatic increase in residential floor area awards of 30% versus the prior year, provided a strong market for our products. Total 1971 housing starts of 2,050,000 units set an all-time record -- and far exceeded our budget forecast of 1,800,000 units. This increased activity resulted in gypsum board machine products shipments of 3,882,000,000 square feet -- a new record for the Division. Market penetration in gypsum wallboard was 34.0% ... equal to the 1970 performance but short of our goal of 35.0%.

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III. PRICES

Sales realization for all products was favorable to our budgeted projections for the full year 1971 to the extent of $3,525,000. Of the total favorable variance, $2,625,000 was in gypsum products and $1,950,000 from the remainder of our Division product lines. In planning the 1971 gypsum products budget, we forecasted prices above 1970 price levels and slightly above the level anticipated to result from the January 1971 price increase. The budgeted gypsum wallboard sales realization level was not exceeded until June 1971, after which it stayed fairly flat for the remainder of the year.

Efforts to raise prices during 1971 were hindered by strong competitive pressures and, of course, the Presidential Price Freeze Order announced in August.

IV. COSTS

Raw Materials. Our 1971 budget called for approximately a 9% increase in the cost of raw materials. Actual experience in 1971 showed raw material prices (costs) 1% favorable to budget, which represented an 8% increase over 1970.

Principal elements of increased costs from previous year were fuel, steel, chemicals and freight. An active program was established between the Purchasing and Research Departments to find lower cost substitutions for raw materials at no expense to product quality. This activity contributed nearly $400,000 savings during 1971.

Labor. During 1971 a total of 38 labor contracts were negotiated on a two-year basis with the exception of two contracts which were for three-year terms. These negotiations resulted in increased costs -- both wages and fringes -- for all affected plants of 6.1%. The total cost of increases for both wage and fringes for all plants in the Division including automation for the years, was $3.84 per hour, or 5.7%.

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As a result of increased plant activity caused by higher sales volume during 1971, the total number of hourly employees increased from 4,077 to 4,205.

Strikes occurred at 6 plants during the year, resulting in 41,225 man days, or 0.6%, lost of the total man days scheduled.

Overhead. The Division overhead level in 1971 was $988,000 or 1.6% below budget and $143,000 or 0.6% above 1970 experience. A tight rein on overhead expense was exercised during 1971 to offset increases in salaries, wages and services.

The total number of salaried employees was reduced from 1,144 to 1,104.

Results of individual categories of overhead were as follows:

Administrative Expense:
Down $27,000 (1%) as compared to budget, up $207,000 (4%) as compared to 1970 (mainly $148,000 increase in provision for Bad Debts due to increased sales; and $73,000 increase in legal expense re: law suits.)

Selling Expense:
Selling Administrative Expense was down $88,000 (1.1%) vs. budget; and up $48,000 (1.4%) vs. 1970. Representation Expense down $305,000 (2.9%) vs. budget; and down $64,000 (.9%) vs. 1970.

Advertising Expense
Up $88,000 (3.9%) vs. budget; but down $48,000 (2.1%) vs. 1970.

By way of comparison, total overhead in 1971 was about $188,000 (.9%) lower than 1969 experience, despite a 10% increase in sales.

Miscellaneous. Results in 1971 included the adverse effect of strikes at the Niles, Gibsonburg, Baltimore and Kimballton Plants - and cost and inventory write-offs occurred by the shutdown of the St. Louis Plant.

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V. NEW PRODUCT INTRODUCTIONS

Corner Caulk - A sequel to our Thermo-Weld System but designed specifically for interior wallboard angles. Thoroughly tested with 47 manufactured house and tract builders. Interior corners can be finished in one-tenth the time of conventional drywall techniques and decoration is possible within one hour. Gross profit margin on this exclusive private label product is 60%.

Metaledge Corewall - Using two layers of our 5" Metaledge Corewall introduced last year, we achieved the industry's first 4-hour fire endurance rating on an all drywall partition. This configuration will be useful where code authorities stipulate increased fire protection in smoke towers, utility chases, etc. in high rise construction. This development further enhances the overall significance of our core wall development.

Perfect Spray - An entirely new ceiling spray texture was developed and released for sale in June 1971. This product, manufactured at Matteson utilizes an expanded and shredded polystrene aggregate to produce a pleasing, comparatively coarse grained texture which is gaining in popularity. This texture adequately masks ceiling joint defects and other workmanship flaws to uniformize overall appearance. Sales of spray texture products are expected to show a steady increase in the future as the quality of field workmanship declines due to labor shortages.

Tectum II House - Tectum II, introduced last year as a superior insulated roof deck, has now been adapted for use in a post and beam design for a residential home. Several commercial test houses have been constructed using our system. The major significance of the system is that an average house would require about $4,400 worth of our product. If we were to sell only 1,000 houses per year using this system, our Tectum production would be increased by 20 million board feet. FHA and Model Code approval is in process.

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288 Volt Panelectric - Last year we added a 1-hour fire resistive product to our Panelectric line. This year we introduced a 288-Volt product, a companion to the original 240 volt, designed primarily for use in high rise apartments and condominiums. We now have a complete system suitable for all types of residential construction.

Low Density Fire-Shield Solitude Panels - All primary Research development and testing was successfully completed during 1971 on reduced density Fire-Shield Solitude acoustical panels. Panel weights were reduced approximately 15%-19% using technology similar to that used in effecting density reductions (during 1970-1971) in our regular Solitude panel line. This development represents an industry first and will be fully implemented in early 1972. This development will result in a projected annual cost saving of approximately $80,000 while upgrading handleability and cutting characteristics but maintaining all of the performance characteristics of the heavier panels.

Ready-Mixed Topping - Historically Ready-Mixed Joint Compounds have been "all-purpose" formulations. Because of the processing and container costs, Ready-Mix has not enjoyed the margin of profit of the dry powders. The development of a Ready-Mixed Topping has shown that it can be formulated at an approximate 15% lower raw material cost than the regular product, and since it sells at the same price, it offers a good opportunity to improve profitability of Ready-Mixed sales. Ready-Mixed products are expected to continually increase in share of the joint compound market in the future.

VI. FACILITIES

Major additions to our system of plants and warehouses included:

- The installation of a glass bag dust collector on the No. 3 kiln at the Kimballton Plant at a cost of $554,000. The collector recovers approximately 60 tons of limestone dust every 24 hours.

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- The modernization of the Baltimore Plant gypsum wallboard take-off at a cost of $378,700. This expenditure resulted in a crew reduction of 11 men from the board machine.
- The installation of additional cleaning and stock preparation equipment at the Milton Plant at a cost of $875,000 for the purpose of increasing the production rate from 300 to 375 tons per day.

Increased efficiencies and new technology employed at the Gypsum Plants resulted in improved running speeds of 1,8 feet per minute average for 1/2" gypsum wallboard. This accomplishment is represented as the equivalent of an additional plant producing 1/2" wallboard at the rate of 35 feet per minute.

During the year, the Dover Warehouse was closed and the St. Louis Plant was shut down since both operations were unprofitable.

Activities in connection with water pollution increased during the year, beginning with the filing of permits, and the subsequent planning of projects to correct water pollution problems existing at the Mobile, Anniston and Savannah Plants.

As a result of the recognized need to conserve cash during 1971, it was necessary to make major revisions to our Capital Appropriations plans. Our original budget anticipated Capital Appropriations of $13,831,000 during the year. By careful analysis of an item-by-item basis, these were reduced to an actual level of $5,278,000. No deferrals of appropriations were made where we had a commitment outstanding in the matter of pollution control. The deferrals hit heavily in the area of rolling stock, including lift trucks, graders and trucks. The net effect of capital appropriation and expenditure curtailment resulted in operation of the Division within about one-half of our depreciation and depletion provision of $10,700,000.

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VII. ORGANIZATION

During 1971 the Divisional organization was restructured to improve our ability to respond to changing customer and market conditions, speed communications, and eliminate non-productive functions. In the Sales Department, one complete layer of intermediate management -- the Division Manager -- was eliminated. The Commercial Sales Force is being consolidated into the Dealer-East organization -- following the success of a similar program begun in 1970 in the Dealer-West region. Because of emergence of large accounts and mass merchandisers having substantial buying power concentrated at one purchasing point -- Region Account Executives have been appointed to service these large customers. The National Accounts Department has been reinforced to establish contact and develop new business from large accounts, and subsequent follow through can now be transferred to these Region Account Executives.

The staffing of the Industrialized Housing Sales Department was completed with sales coverage throughout Eastern United States.

The Manufacturing Department was restructured, resulting in the elimination of the Production Manager level and establishing four Directors of Manufacturing and a Director of Manufacturing Administration. In addition, supporting engineering and process personnel were transferred to the Engineering Department. Six new Plant Managers were appointed during the year, and as a start in developing a nucleous of potential managers, six young engineers were hired.

Within the Industrial Relations Department, the Personnel Manager position was staffed and a program developed to expand the scope of this function so as to provide expanded assistance to all departments of the Division.

In the Controller's Department, there was a reorganization of the Sales Accounting group, whereby truly sales functions were transferred to the Sales Department, and control functions strengthened within the Controller's Department.

VII. STAFF FUNCTIONS

INFORMATION SYSTEMS

- A new computerized pricing program was instituted with the result that 90% of all invoice items are now priced from computer files, with significant savings of time in field offices and much greater reliability.

- All computer programs have been converted over on the new Univac Computer which has three times the capacity of the former equipment.

- New terminals have been installed in plants and sales offices which are capable of transmitting data at three times the speed of former terminals.

INDUSTRIAL RELATIONS

- The major accomplishment in the area of personnel relations was the implementation of both the Improved Group Insurance Program and the Salaried Retirement Plan.

- Our Salary Administration Program was complicated by the impact of the Presidential Freeze Order on wages, and the subsequent implementation of Phase II. However, we completed the year well within the budgets and Corporate guidelines established for the Division.

DISTRIBUTION

On May 1st the creation of the Distribution Department within the Manufacturing/Operations Department was announced, with the responsibility of directing the activities of Transportation, Field Warehouses, and Inventory and Distribution Control.

A daily reporting system was instituted to document shipments from all gypsum plants. This report achieved better allocation of orders to secondary plants, improved customer service, and better control of freight costs. A Distribution Committee composed of representatives from Sales, Operations Accounting, and Manufacturing, meet daily to maximize production capacities and reduce transportation costs.

Significant improvement was achieved in freight rate reductions, claim handling and carrier service during the year. A 90% reduction of rate bulletins was accomplished in a program to update and simplify these documents.

Over-all warehouse operations were improved, resulting in an operating profit improvement of $350,000 over 1970. 18 non-profitable warehouses were closed during the year without adversely affecting customer service.

PURCHASING

During the year nearly $400,000 of purchased material savings were achieved through the substitution of products approved by the Research and Manufacturing Departments.

A new Work Simplification Program was instituted resulting in a 9% reduction in the number of requisitions and 30% fewer purchase orders prepared.

For the year, raw material purchases were $485,000 favorable versus budget.

PATENTS AND TRADEMARKS

A twelve-year court contest on the question of the validity of the United States Gypsum Spark Tape patent ended unsuccessfully.

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Subsequently, our wallboard tape production was changed from spotted to plain tape with no apparent undesirable consequences.

Royalties from United States Gypsum's use of our patented Size R wallboard paper process were successfully negotiated and are at a rate of approximately $100,000 per year.

New matters in a pending or negotiation state include licensing the Tectum process to a Japanese firm, licensing under a Celotex patent on mobile home concealed attachment ceiling panels, and arranging for joint development of an improved system of flash calcination of gypsum with the Aerodyne Development Corporation.

United States Patents were granted to us covering the use of hot melt adhesive on drywall joints, gypsum-grass seed sprayable compositions, Duraform gypsum ceiling panels, asphalt-diesel fuel treatment of sheathing paper, Kal-Kote Color Paks, a new wallboard paper edge sealer, a new stucco set accelerator and a new use for plastic foam scrap.

IX. MISCELLANEOUS

1. The Research Center developed more than $1,000,000 worth of cost reductions during 1971 which will be incorporated into the 1972 plant operating standards.

2. Total cost of production complaint settlements during 1971 dropped from $4.61 to $4.27 per thousand dollars of sales.

3. Under the direction of the Process Engineering Group, the Phoenix Fabrication Shop constructed $343,000 worth of equipment($ 886,000 at contract prices) and spearheaded $141,000 of installation labor, primarily at the Milton and Baltimore Plants.

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4. Through our "financial marketing" approach, 71 programs to finance customers provided new business of $18,400,000 with a return on investment before taxes of 20.7%.

5. The National Accounts Department increased their sales to $23,000,000 versus $24,000,000 in 1970.

X. CONCLUSION

The sales and profit improvement of 1971 over the previous year marks an upswing in our business which should be sustained for the next several years. While the Division Profit Contribution is still unsatisfactory when compared to our performance during the early 1960's, it is expected to improve substantially in 1972.

We have organized the Division to capitalize on the much improved economy and market for our products and services. Further, action plans have been instituted to weed out the non-profitable and mature operations of the Division which have a diluting effect on our profits. New ventures are being sought to replace the low leverage operations -- very necessary if we are to contribute effectively to the long range goal of the Company.

The attitude and outlook of our Managers is optimistic, and their energy and experience will play a large part in insuring our success in 1972 and the years to come.

JOHN P. HAYES

JPH/rca

NG-A-121

DI(NG)-432

MEETING -- May 23, 1968

SUBJECT: GYPSUM PRICE INCREASE DISCUSSION

PRESENT: J. P. Hayes
J. P. Nicely
J. W. Duncan
C. H. Atwell

DI (NG) 432

ADMITTED

1. We will prepare a price increase notice on gypsum products to be dated June 1, 1968 effective August 1, 1968.

2. Price increase will be $2.00 -- $2.50 -- or $3.00 on 1/2" or 3/8" basis ...
and $2.50 -- $3.00 -- and $3.50 for 5/8" by zones as determined as the result of a comprehensive study of the approximately 45 zones presently outlined.

3. This will apply to all states in Continental United States except California , Western Nevada, and Arizona areas normally considered California pricing area.

4. Within 45 days after this price increase has become effective, a new price increase notice will be released with an effective date in the first quarter of 1969 by zones as the result of similar studies.

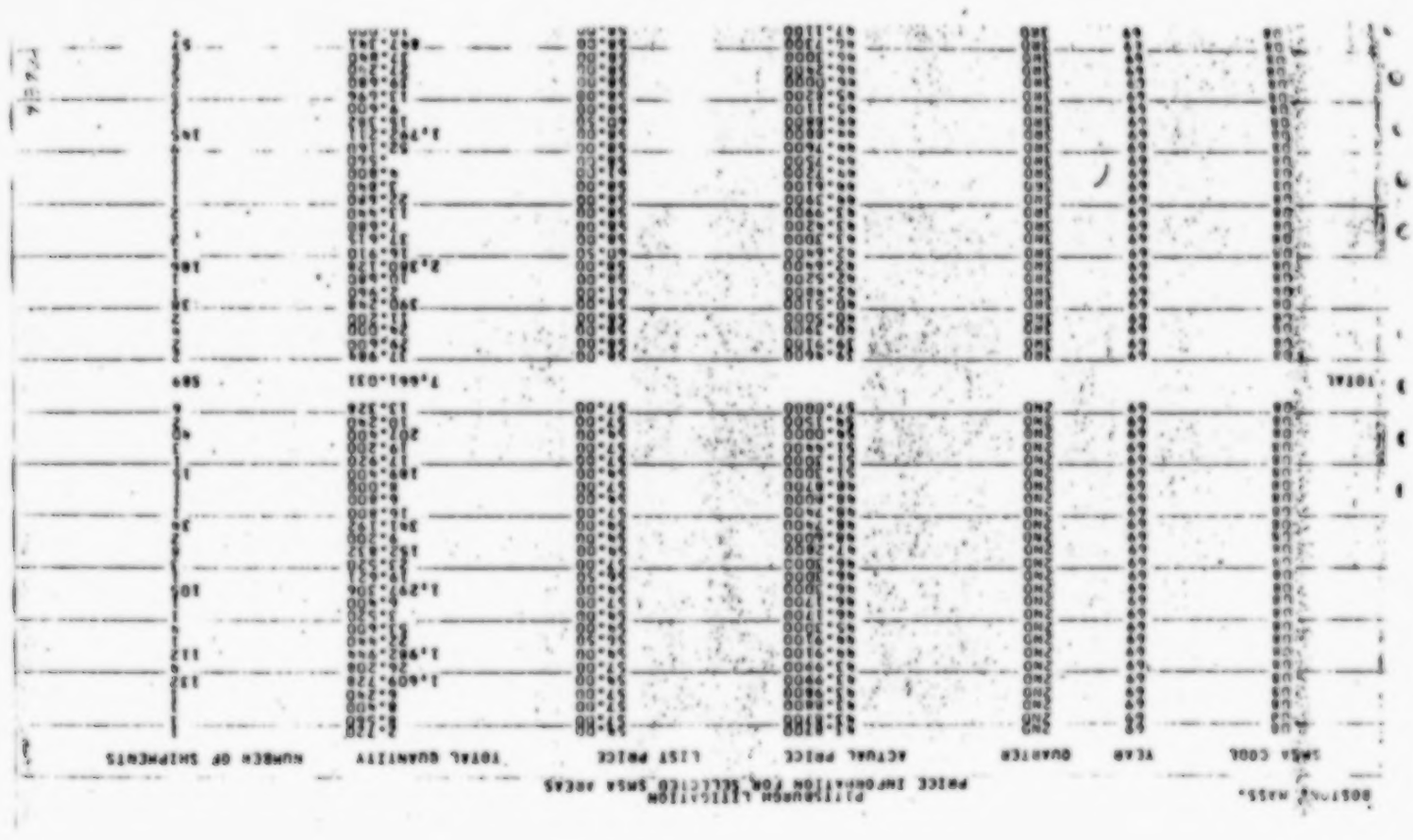
5. Sometime during the fourth quarter, a study will be made on the possibility of rezoning of the present 45 zones, to a lesser number where practical.

6. No terms change will be planned effective with the August 1st price increase.

JOHN P. HAYES

JPH/rca

NG-A-142



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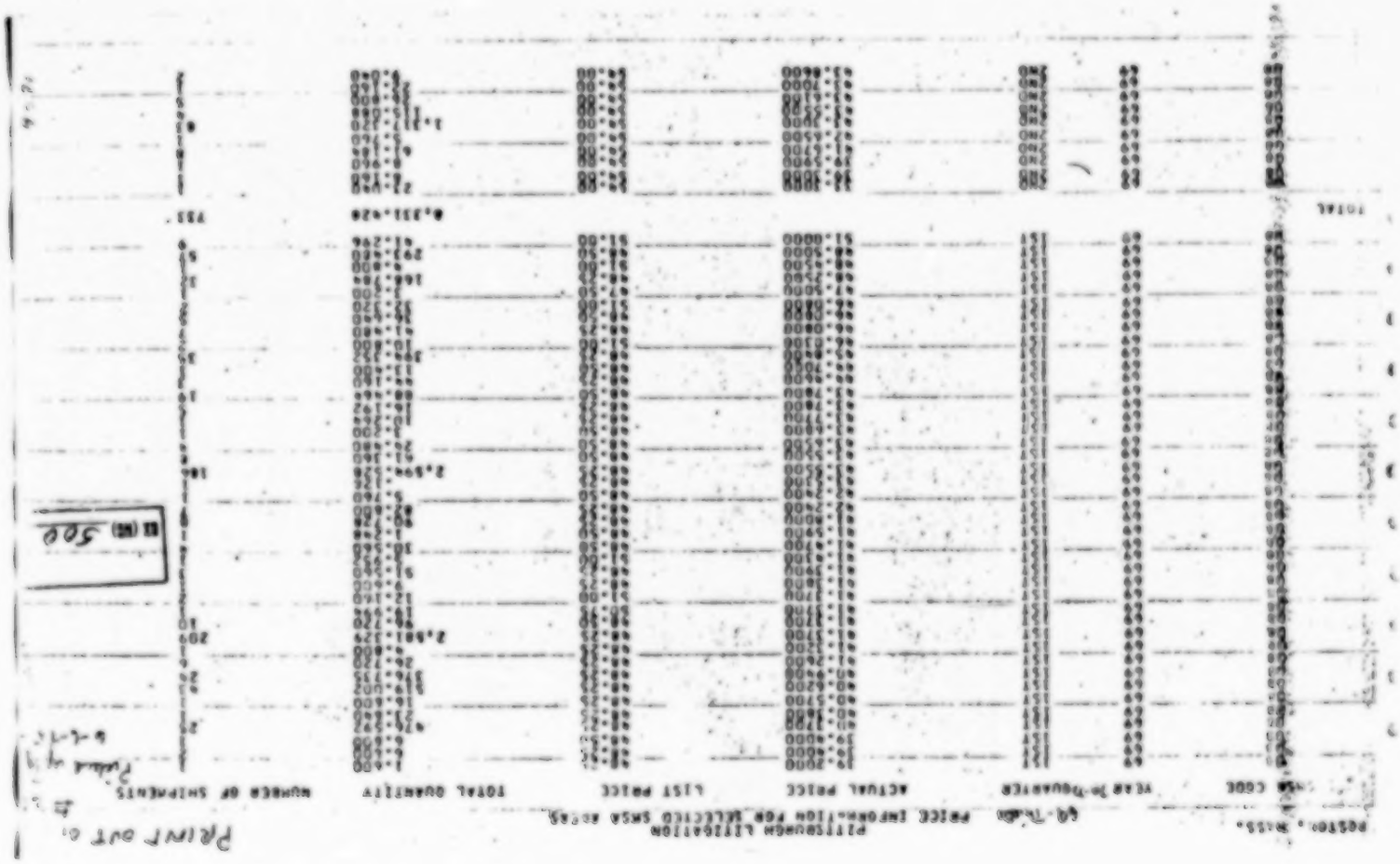

BOSTON, MASS.

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS

BOSTON, MASS.

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
08	71	3RD	49.5000	49.50	32.128	8
TOTAL					8,169.588	641
08	72	4TH	51.9700	51.50	129.728	32
08	72	4TH	52.0000	52.00	52.000	16
08	72	4TH	52.8700	47.50	2,109.132	193
08	72	4TH	52.8700	50.00	224.529	16
08	72	4TH	52.9400	47.50	2.400	1
08	72	4TH	46.1300	47.50	916.864	58
08	72	4TH	47.5000	47.50	3,728.130	284
08	72	4TH	50.5000	50.50	55.528	11
TOTAL					7,685.531	579
08	73	1ST	51.3500	51.50	89.320	7
08	73	1ST	51.3600	51.50	107.768	9
08	73	1ST	41.4000	47.50	79.496	6
08	73	1ST	41.4700	47.50	269.264	16
08	73	1ST	42.7500	47.50	109.264	13
08	73	1ST	42.8300	49.50	141.936	9
08	73	1ST	42.8700	47.50	577.086	55
08	73	1ST	43.2100	49.50	136.992	10
08	73	1ST	43.3500	49.50	34.128	4
08	73	1ST	43.3600	49.50	49.440	4
08	73	1ST	44.0900	50.50	8.960	2
08	73	1ST	44.4000	47.50	15.728	1
08	73	1ST	44.5500	49.50	80.240	11
08	73	1ST	44.6700	49.50	784.837	63
08	73	1ST	44.6700	52.50	8.960	1
08	73	1ST	45.1300	47.50	449.640	4
08	73	1ST	45.9500	50.50	12.720	1
08	73	1ST	46.8300	52.50	3.200	1
08	73	1ST	46.5400	50.50	4.480	1
08	73	1ST	46.5400	52.50	6.000	1
08	73	1ST	47.0300	49.50	299.200	26
08	73	1ST	47.5000	47.50	3,163.072	218
08	73	1ST	49.5000	49.50	2,439.149	176
08	73	1ST	50.5000	50.50	29.800	9
08	73	1ST	52.5000	52.50	52.640	10
TOTAL					8,890.512	683

PITTSBURGH, PA.

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
38	72	1ST	37.5500	38.25	22.980	1
38	72	1ST	37.5500	38.25	88.864	3
38	72	1ST	39.3000	48.25	378.832	20
38	72	1ST	41.3600	48.25	28.960	4
38	72	1ST	41.3600	51.25	1.280	1
38	72	1ST	41.3700	48.25	20.480	12
38	72	1ST	43.5400	48.25	1.600	1
38	72	1ST	43.5500	48.25	8.080	3
38	72	1ST	48.2500	48.25	4.800	1
TOTAL					555.056	50
38	72	2ND	37.1300	51.25	117.248	17
38	72	2ND	37.1300	51.25	151.280	10
38	72	2ND	37.6400	51.25	39.936	2
38	72	2ND	40.2000	51.25	7.600	1
38	72	2ND	41.2000	51.25	191.744	11
38	72	2ND	41.2100	51.25	218.688	22
38	72	2ND	41.2100	55.75	65.089	2
38	72	2ND	41.2800	51.25	1.600	1
38	72	2ND	41.3800	51.25	249.272	25
38	72	2ND	45.6600	51.25	177.856	16
38	72	2ND	47.1600	51.25	.640	1
38	72	2ND	48.0600	51.25	36.480	10
38	72	2ND	50.5900	51.25	11.255	4
38	72	2ND	51.2500	51.25	161.275	7
TOTAL					1,611.924	182
38	72	3RD	37.9700	37.25	1.600	1
38	72	3RD	39.1400	37.25	301.025	21
38	72	3RD	39.1500	37.25	10.573	1
38	72	3RD	39.4000	37.25	3.440	1
38	72	3RD	39.9700	37.25	6.900	2
38	72	3RD	39.9800	37.25	297.744	25
38	72	3RD	39.9900	37.25	60.864	5
38	72	3RD	40.4300	37.25	20.064	1
38	72	3RD	42.0800	37.25	222.307	20
38	72	3RD	42.0900	37.25	113.970	8
38	72	3RD	43.0000	37.25	23.040	1
38	72	3RD	43.3000	37.25	64.224	5
38	72	3RD	44.3000	37.25	44.480	3
38	72	3RD	44.3100	37.25	47.184	3
38	72	3RD	46.6200	37.25	3.360	1
38	72	3RD	46.6300	37.25	12.592	1
38	72	3RD	46.6400	37.25	16.640	1
38	72	3RD	49.0900	37.25	6.520	1
38	72	3RD	53.8200	37.25	1.600	1
38	72	3RD	54.3900	37.25	1.990	1
38	72	3RD	57.2500	37.25	340.992	15
TOTAL					1,629.379	152
38	73	1ST	39.6800	38.38	216.248	42

PITTSBURGH, PA.

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
02	70	1ST	42.2800	47.00	42.960	1
05	70	1ST	34.4800	48.00	6.480	2
02	70	1ST	42.2800	47.25	189.008	10
05	70	1ST	40.8500	47.00	5.600	1
09	70	1ST	40.6500	47.25	24.000	2
09	70	1ST	42.0800	47.25	35.826	5
09	70	1ST	44.3000	47.25	23.680	2
09	70	1ST	47.0000	39.98	6.736	1
09	70	1ST	47.0000	47.00	34.800	2
09	70	1ST	48.0000	39.98	4.480	1
09	70	1ST	48.0000	48.00	10.400	2
09	70	1ST	50.0000	47.00	28.800	2
TAL					624.065	95
02	70	2ND	39.5800	42.28	13.240	1
05	70	2ND	34.4800	42.28	313.280	24
09	70	2ND	37.9600	42.46	15.739	1
09	70	2ND	38.0200	39.98	4.320	1
09	70	2ND	39.9800	39.98	331.140	50
09	70	2ND	43.3200	39.98	6.660	1
09	70	2ND	44.0000	39.98	4.800	1
09	70	2ND	47.0000	39.98	70.560	3
TAL					759.979	94
02	71	2ND	40.7000	42.28	21.444	1
05	71	2ND	42.7000	42.28	51.444	1
09	71	2ND	42.7500	45.00	53.040	1
09	71	2ND	43.0000	43.00	220.896	33
09	71	2ND	44.0000	44.00	42.320	14
09	71	2ND	45.0000	45.00	50.958	6
09	71	2ND	45.2000	47.50	59.520	6
09	71	2ND	46.0000	46.00	13.968	5
TAL					456.560	61
02	72	3RD	41.5188	46.00	42.480	2
05	72	3RD	41.5188	46.00	285.200	21
09	72	3RD	41.2500	47.00	26.880	2
09	72	3RD	41.7000	46.00	2.448	1
09	72	3RD	42.3000	47.00	3.200	1
09	72	3RD	44.0000	49.00	180.096	38
09	72	3RD	47.0000	49.00	51.136	12
TAL					560.816	77
02	73	4TH	41.5188	46.00	172.920	7
05	73	4TH	43.2000	49.00	866.240	36
09	73	4TH	43.7000	49.00	70.480	6
09	73	4TH	44.1000	49.00	260.480	12
09	73	4TH	44.2700	49.00	133.920	9
09	73	4TH	48.0000	49.00	5.120	1
09	73	4TH	48.0000	48.00	5.120	1
09	73	4TH	45.6000	48.00	150.720	6

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

S A CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
02	73	4TH	45.7000	46.00	42.000	1
09	73	4TH	46.6000	46.00	318.184	13
09	73	4TH	46.6000	46.00	12.960	1
09	73	4TH	46.7000	49.00	396.920	21
09	73	4TH	48.0000	48.00	116.560	9
09	73	4TH	49.0000	49.00	1,310.184	84
09	73	4TH	50.0000	49.00	9.920	1
09	73	4TH	50.0000	50.00	53.728	11
AL					4,044.832	224

PITTSBURGH LITIGATION

PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
15	69	1ST	40.7100	52.00	1,099,199	76
15	69	1ST	40.7100	52.00	329,616	22
15	69	1ST	42.3500	52.00	47,864	3
15	69	1ST	41.2500	52.50	39,682	1
15	69	1ST	41.5000	52.00	40,600	1
15	69	1ST	43.2300	52.00	14,944	1
15	69	1ST	44.8000	52.00	31,920	2
15	69	1ST	46.9300	52.00	9,920	1
15	69	1ST	50.0000	52.00	13,440	1
TOTAL					1,667,530	58
15	69	2ND	37.5600	55.00	98,128	1
15	69	2ND	40.4300	57.00	876,656	22
15	69	2ND	40.8100	57.00	293,440	19
15	69	2ND	40.7300	57.00	81,781	6
15	69	2ND	42.8900	57.00	19,160	1
15	69	2ND	43.5100	57.00	23,520	1
15	69	2ND	42.5600	55.00	1,153,280	29
15	69	2ND	42.5600	57.00	491,167	37
15	69	2ND	43.4300	57.00	29,848	2
15	69	2ND	43.5600	57.00	23,040	1
15	69	2ND	44.8000	55.00	1,276,288	32
15	69	2ND	44.8000	57.00	1,008,513	60
15	69	2ND	46.9300	57.00	31,744	2
15	69	2ND	47.1600	57.00	82,048	4
15	69	2ND	48.0100	55.00	23,040	1
15	69	2ND	48.8700	57.00	9,600	1
15	69	2ND	49.6400	55.00	154,016	4
15	69	2ND	49.6400	57.00	56,000	2
15	69	2ND	51.4400	57.00	35,808	1
15	69	2ND	55.0000	57.00	22,440	1
TOTAL					6,207,666	236
15	69	3RD	32.9000	60.50	23,000	1
15	69	3RD	34.2000	58.50	40,632	1
15	69	3RD	38.0000	60.50	86,040	6
15	69	3RD	38.8100	58.50	25,656	1
15	69	3RD	39.0000	58.50	57,600	1
15	69	3RD	40.0000	58.50	1,541,008	35
15	69	3RD	40.0000	59.50	24,672	1
15	69	3RD	40.0000	60.50	2,688,743	161
15	69	3RD	40.0000	61.00	12,610	1
15	69	3RD	40.4300	58.50	462,208	9
15	69	3RD	40.4300	60.50	14,304	1
15	69	3RD	40.8500	58.50	39,936	1
15	69	3RD	41.0000	58.50	69,520	1
15	69	3RD	41.0000	60.50	102,288	2
15	69	3RD	44.8000	60.50	46,080	2
15	69	3RD	45.2700	60.50	40,320	2
15	69	3RD	47.6500	60.50	20,160	1
15	69	3RD	49.2800	60.50	13,920	1
15	69	3RD	50.0000	60.50	11,280	1
15	69	3RD	50.1600	58.50	33,600	1

PITTSBURGH LITIGATION

PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
15	69	3RD	52.8200	60.50	19,360	1
TOTAL					5,376,097	240
15	70	1ST	32.9000	47.00	247,920	10
15	70	1ST	34.2000	47.00	248,088	8
15	70	1ST	34.2000	47.00	306,160	11
15	70	1ST	35.0000	45.00	72,192	2
15	70	1ST	35.0000	47.00	715,900	23
15	70	1ST	35.0000	49.50	25,140	1
15	70	1ST	35.1500	47.00	129,568	4
15	70	1ST	35.2000	45.00	57,600	1
15	70	1ST	35.2000	47.00	866,309	48
15	70	1ST	35.3500	47.00	18,336	1
15	70	1ST	35.4100	47.00	49,920	2
15	70	1ST	35.9700	47.00	13,952	1
15	70	1ST	36.0000	45.00	57,984	2
15	70	1ST	37.2000	47.00	819,812	48
15	70	1ST	37.9000	45.00	28,160	1
15	70	1ST	37.9100	47.00	21,504	1
15	70	1ST	38.0000	45.00	33,050	1
15	70	1ST	39.9000	47.00	427,536	25
TOTAL					5,208,326	231
15	71	1ST	33.8188	47.00	382,976	16
15	71	1ST	33.8188	47.00	32,960	1
15	71	1ST	33.3500	39.00	29,920	1
15	71	1ST	34.2000	39.00	321,680	14
15	71	1ST	34.8600	47.00	640,256	27
15	71	1ST	35.0000	47.00	33,920	1
15	71	1ST	35.0000	47.00	70,784	2
15	71	1ST	35.0000	47.00	5,920	1
15	71	1ST	35.1000	39.00	158,160	8
15	71	1ST	35.1200	39.00	154,048	14
15	71	1ST	35.2600	39.00	305,672	14
15	71	1ST	35.2000	47.00	169,280	8
15	71	1ST	36.8100	39.00	1,920	1
15	71	1ST	37.0500	39.00	529,272	32
15	71	1ST	39.0000	39.00	849,664	50
15	71	1ST	40.0000	40.00	7,000	1
15	71	1ST	41.5000	41.50	10,080	1
TOTAL					4,493,175	235
15	72	1ST	40.7000	45.00	1,301,200	47
15	72	1ST	40.0000	47.50	2,320,648	84
15	72	1ST	40.0000	47.50	100,597	4
15	72	1ST	40.5000	45.00	22,080	1
15	72	1ST	40.6100	47.00	265,320	10
15	72	1ST	40.6100	47.50	69,540	2
15	72	1ST	40.8200	45.00	117,120	5
15	72	1ST	42.7500	45.00	111,068	4
15	72	1ST	43.7000	46.00	16,320	2

MINNEAPOLIS-ST. PAUL, MINN. PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
13	72	2ND	48.0000	48.00	20.800	3
15	72	2ND	46.0000	46.00	26.800	3
TAL					4,480.961	202
13	72	3RD	47.0000	47.00	394.944	5
13	72	3RD	46.6500	47.00	391.264	5
13	72	3RD	46.7600	47.00	30.720	2
13	72	3RD	47.0000	47.00	658.288	28
15	72	3RD	48.0000	48.00	10.560	1
TAL					4,391.640	224

ANAHEIM-SANTA ANA-GARDEN GROVE, CAL. PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
TAL					1,895.293	139
TAL					4,186.452	216
TAL					2,998.596	133
TAL					4,187.560	189

ANAHEIM-SANTA ANA GARDEN GROVE, CAL. :

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
16	72	1ST	37.3900	41.00	110.432	4
16	72	1ST	37.4000	41.00	168.132	21
16	72	1ST	38.0000	40.00	1.936.720	90
16	72	1ST	38.0000	40.00	264.160	14
16	72	1ST	38.0000	41.50	36.120	2
16	72	1ST	41.0000	41.00	435.776	24
16	72	1ST	43.0000	43.00	46.800	6
TOTAL					3.637.956	178
16	72	2ND	36.5000	41.00	100.992	4
16	72	2ND	36.5800	40.00	420.240	9
16	72	2ND	39.3800	41.00	673.136	32
16	72	2ND	39.3900	41.00	108.344	2
16	72	2ND	37.4000	41.00	168.688	11
16	72	2ND	38.0000	41.00	610.016	24
16	72	2ND	40.0000	40.00	402.064	17
16	72	2ND	40.0000	41.00	3.405.573	152
16	72	2ND	41.0000	41.00	853.616	32
16	72	2ND	42.0000	43.00	39.760	4
TOTAL					6.913.477	298

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CINCINNATI O.-IND.-KY.

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
21	72	1ST	34.2800	36.00	106.720	3
21	72	1ST	34.2800	36.00	68.768	2
21	72	1ST	36.0000	40.00	454.528	23
21	72	1ST	36.5100	40.00	46.240	2
21	72	1ST	42.2400	43.00	303.424	16
21	72	1ST	42.1300	43.00	8.760	1
21	72	1ST	42.4300	43.00	1.920	1
					1.296	2
TOTAL					970.656	55
21	72	2ND	40.9900	39.00	43.992	1
21	72	2ND	41.9300	43.00	405.560	21
21	72	2ND	41.9300	43.00	83.288	4
21	72	2ND	41.7200	43.00	321.440	18
21	72	2ND	41.9600	43.00	40.320	2
21	72	2ND	42.5600	43.00	442.168	23
21	72	2ND	42.9200	43.00	93.600	4
21	72	2ND	43.0000	43.00	380.480	21
21	72	2ND	43.3200	43.00	1.600	1
21	72	2ND	43.4000	43.00	23.040	1
21	72	2ND	43.4400	43.00	93.120	3
21	72	2ND	43.4600	43.00	48.000	2
21	72	2ND	43.4600	43.00	573.936	26
21	72	2ND	43.5000	43.00	23.040	1
21	72	2ND	44.8000	43.00	27.200	1
21	72	2ND	44.4600	43.00	7.680	1
21	72	2ND	44.6400	43.00	1.600	1
21	72	2ND	50.5400	43.00	7.840	1
TOTAL			51.4400	43.00	1.600	1
					2.665.496	101
21	72	3RD	36.0000	38.00	38.240	2
21	72	3RD	40.4300	38.50	278.588	19
21	72	3RD	40.5000	38.50	226.920	11
21	72	3RD	40.8500	38.50	6.776	1
21	72	3RD	40.8500	38.50	492.592	26
21	72	3RD	41.5000	41.00	22.698	1
21	72	3RD	41.7100	38.50	13.660	1
21	72	3RD	42.5000	38.50	97.760	5
21	72	3RD	43.0000	38.50	461.554	30
21	72	3RD	43.0800	38.50	140.832	29
21	72	3RD	43.4600	38.50	1.288	1
21	72	3RD	43.4600	38.50	6.900	1
21	72	3RD	44.7900	38.50	4.160	1
21	72	3RD	45.2200	38.50	20.160	1
21	72	3RD	46.2200	38.50	91.072	4
21	72	3RD	46.8100	38.50	22.720	1
21	72	3RD	47.8000	38.50	7.680	1
21	72	3RD	48.5000	38.50	5.440	1
TOTAL					2.134.960	140

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CINCINNATI O.-IND., KY.

PITTSBURGH, PENNSYLVANIA

PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
TOTAL					1,249,648	96
TOTAL					2,130,360	150
TOTAL					7,662,860	164
TOTAL					1,349,336	91

PITTSBURGH, PENNSYLVANIA

PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
TAL					892,208	34
TAL					554,118	22
TAL					885,136	37
AL					970,994	23
TAL					593,544	35

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
11	72	1ST	24.8888	28.88	788.183	49
TOTAL					2,428.425	80
11	69	1ST	38.3888	39.88	32.888	1
11	69	1ST	41.9000	46.00	106.896	4
11	69	1ST	41.9000	47.00	51.840	1
11	69	1ST	42.7888	49.00	29.768	1
11	69	1ST	42.3888	47.00	269.696	8
11	69	1ST	43.7000	47.00	23.520	1
11	69	1ST	43.7000	49.00	16.000	1
11	69	1ST	44.7000	47.00	574.488	20
11	69	1ST	49.0000	49.00	19.240	1
11	69	1ST	49.0000	47.00	225.344	13
11	69	1ST	50.0000	50.00	14.720	2
11	69	1ST	50.0000	50.00	1.200	1
TOTAL					1,498.344	73

2982

PITTSBURGH LITIGATION
PRICE INFORMATION FOR SELECTED SMSA AREAS

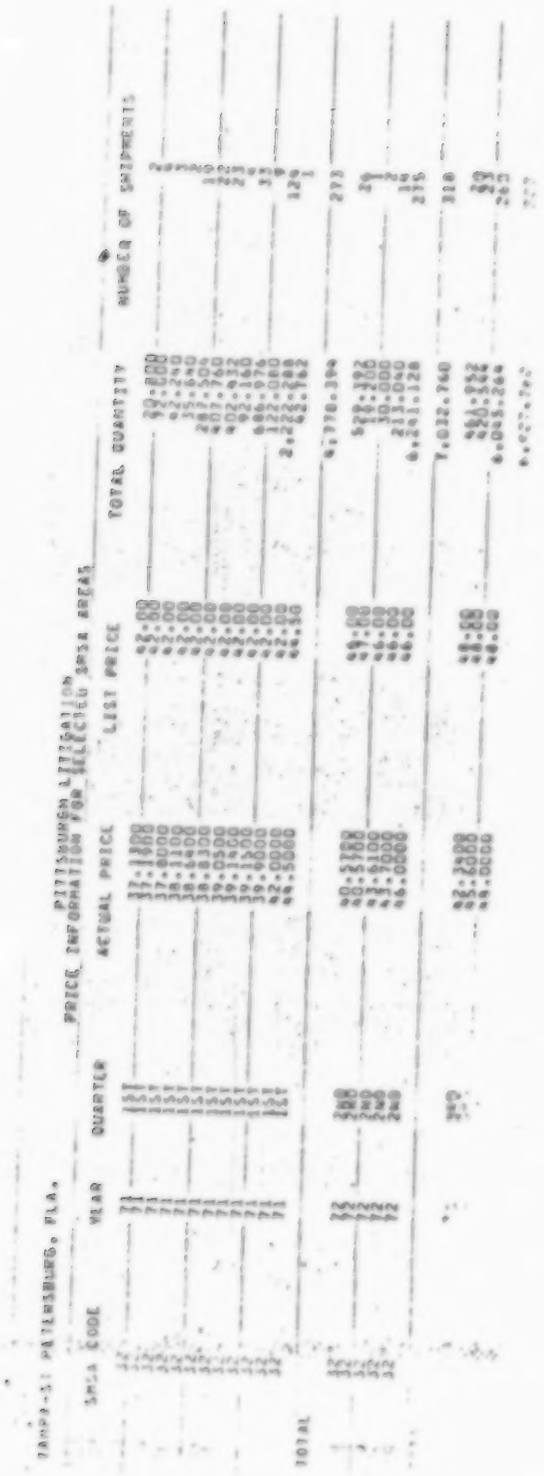
SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
11	69	1ST	33.8888	37.33	8.888	1
11	69	1ST	38.2500	47.25	1.648	1
11	69	1ST	38.4900	47.25	90.528	4
11	69	1ST	38.5000	47.25	429.520	109
11	69	1ST	38.8900	47.25	197.505	12
11	69	1ST	39.0100	47.25	42.848	2
11	69	1ST	40.5100	47.25	15.000	2
11	69	1ST	40.5200	47.25	28.448	14
11	69	1ST	41.3600	47.25	1.152	1
11	69	1ST	41.6400	47.25	5.632	1
11	69	1ST	42.6500	47.25	11.040	1
11	69	1ST	43.9900	47.25	148.000	1
11	69	1ST	47.2500	47.25	229.760	25
TOTAL					1,237.912	235
11	69	2ND	32.8888	33.33	32.230	1
11	69	2ND	34.8600	47.25	81.648	13
11	69	2ND	38.3100	47.25	.704	1
11	69	2ND	38.4100	47.25	22.200	1
11	69	2ND	38.4900	47.25	156.015	2
11	69	2ND	38.5000	47.25	1.152	1
11	69	2ND	40.4300	47.25	172.992	9
11	69	2ND	40.7500	47.25	22.720	1
11	69	2ND	40.7600	47.25	16.960	2
11	69	2ND	41.8000	47.25	3.200	1
11	69	2ND	42.0000	47.25	.960	1
11	69	2ND	42.5600	47.25	17.760	2
11	69	2ND	42.5600	47.25	299.088	35
11	69	2ND	47.4000	50.00	12.480	1
11	69	2ND	47.2500	47.25	151.328	25
TOTAL					1,007.047	207
11	69	3RD	33.2200	33.33	516.516	31
11	69	3RD	36.0000	47.25	1,816.750	257
11	69	3RD	36.0000	47.25	16.980	1
11	69	3RD	36.4900	47.25	11.520	1
11	69	3RD	37.0000	47.25	4.010	1
11	69	3RD	38.4100	47.25	80.160	4
11	69	3RD	38.4900	47.25	169.120	39
11	69	3RD	39.1900	47.25	11.696	2
11	69	3RD	39.2800	47.25	11.360	2
11	69	3RD	39.9700	47.25	23.040	1
11	69	3RD	41.3500	47.25	.080	1
11	69	3RD	45.0000	47.25	21.600	1
11	69	3RD	46.0000	47.25	43.336	3
11	69	3RD	46.2500	46.25	43.968	3
					2,806.530	357
11	70	2ND	32.0000	42.00	113.408	2

2983

PITTSBURGH PENNSYLVANIA

PRICE INFORMATION FOR SELECTED SMSA AREAS

SMSA CODE	YEAR	QUARTER	ACTUAL PRICE	LIST PRICE	TOTAL QUANTITY	NUMBER OF SHIPMENTS
[illegible]	[illegible]	2ND	[illegible]	[illegible]	[illegible]	[illegible]



DX(G-P)-1

EXHIBIT
G-P 1

DATE: February 12, 1963

TO: Mr. R. B. Pamplin

FROM: W. H. Hunt

SUBJECT: Report on Bestwall Gypsum Investigation

During the month of January the following activities in connection with the proposed Bestwall Gypsum acquisition were accomplished:

I. Visit to the Bestwall headquarters at Paoli, Pennsylvania. After completion of a general inspection of the facilities, discussions were held with the following:

Marketing Vice President
Financial Vice President
Director of Advertising & Merchandising
Director of Technical Services
Director of Market Research
Sales Office Operations Manager
Director of Research & Development

Also, while touring the field, interviews were held with regional credit managers in Chicago, Detroit and San Francisco.

II. Complete examination of the following plants:

Wilmington, Delaware
Brunswick, Georgia
New Orleans, Louisiana

III. Visited regional sales offices located at:

Wilmington, Delaware	--serving the	Wilmington plant
Brunswick, Georgia	--"	the Brunswick plant
Dallas, Texas	--" "	New Orleans, Louisiana & Acme, Texas plants
Kansas City, Mo.	--" "	Blue Rapids, Kansas plant
Chicago, Illinois	--" "	Fort Dodge, Iowa plant
Detroit, Michigan	--" "	Grand Rapids, Michigan plant
Cleveland, Ohio	--" "	Akron, New York plant

IV. San Francisco day-long meeting with all of the Western regional and area managers of Bestwall Gypsum, two regional managers and two branch managers of Georgia-Pacific and the general manager of the Georgia-Pacific Distribution Division and Vice President of Marketing for Bestwall Gypsum. The Western Region of Bestwall is headquartered at Salt Lake City, but for obvious reasons the meeting was held in San Francisco. This Western Region office of Bestwall is the only one of the eight regional offices where the physical property was not inspected.

BEST COPY AVAILABLE

V. Attended a half-day session of the area managers of the Bestwall Brunswick region in Atlanta in the company of Georgia-Pacific's Southeast Regional Manager and the Vice President of Marketing of Bestwall Gypsum.

VI. Examined and discussed a long-range forecast of the gypsum industry done for Bestwall by outside consultants. In summary, it reveals that, after industry sales of 441 million square feet of gypsum building board in 1964, 573 million is forecast for 1970 and 683 million for 1975. The conclusion is that Bestwall would improve its share of the market as a result of the merger with Georgia-Pacific because of the expanded sales force and other factors which would improve the opportunity to get a bigger share of the total market. Hence, we conclude that Bestwall's growth should be greater than that of the industry.

VII. Impressions received as a result of paragraphs I through VI:

A. Plants: The average rate of operation in 1964 was 75% of capacity. The low plant was New Orleans, running at 52%, and the high was Wilmington, running at 90%. Gypsum demand varies seasonally. For example, the low point is reached in December to March, inclusive, where the monthly production averages 7% of the total annual production. It reaches a high point in the months of May to October, inclusive, where the monthly average will run 9.3% of the annual production. In my opinion, the plants I examined are very clean, modern and efficient to a very high degree.

B. People: In all departments there prevails a great deal of enthusiasm, dedication, industry and loyalty. I can't stress too strongly the favorable impressions which were received from the overall attitude and quality of the Bestwall people.

C. General Efficiency: This appears to be exceedingly high. Good teamwork prevails under high-quality and respected leadership in the three fields of sales, production and finance. No excess help or any other flippant use of the company's funds could be noted. They seem to run a tight organization very similar to the manner in which Georgia-Pacific is run and, hence, ought to fit into our overall picture in an exceedingly fine and easy fashion.

D. Type of Quarters: In all regional sales offices, as well as the main office, the quarters were clean and well-kept, but were not done on a grand scale by any means. In most cases they are in suburban areas in new low-rise office buildings where the rentals are reasonable and the fixtures are in good taste but

not extravagant. The clerical personnel in these offices does not appear to be excessive and, here too, we find dedicated, serious-minded people who all appear to be doing a good, efficient job.

E. Headquarters Office: Again, we have an efficient clean, but not elaborate, building which seems to be efficiently run. It includes facilities for research and development and, here again, the laboratory is not staffed with excessive personnel and seems to be doing the work that must be done to develop the things needed by the sales department. In other words, here, as well as in other departments, it is my opinion that "Parkinson's Law" definitely has not taken over. The staff departments, such as market research, sales management, etc., are very small, but efficient--quite similar to our setup here in Portland.

VIII. Opinion of areas of profitable implementation as a result of a merger between Georgia-Pacific and Bestwall:

A. First, and most important, is additional sales. The objective is to as quickly as possible bring the average operating rate from 75% to 100%. This would mean a one-third increase in sales, which would suggest the necessity of a number of our competitors moving over as a result of the pressure applied by our having a sales force which would be more than double what it is now. It is felt that much additional business could be developed, if only as a result of more exposure by many more people. Our sales force working from the branches covers many, many more dealer accounts than does the Bestwall sales force. Just by this exposure alone we should do a lot of additional business. It should be remembered that practically all of the gypsum is used in the construction industry and is all sold through lumber dealers. This is our basic way of doing business. It would be an additional aid in many of the areas to stock gypsum in our warehouses or in the yards surrounding the warehouses, since gypsum can be stored outside to serve the less-than-carload users or to supply fill-ins to carload users when they are temporarily out.

B. Credit Management: Bestwall has regional credit people, as do we. These departments could implement one another to certainly do a more efficient job, if not in reducing the cost. It must be remembered, however, that credit in the gypsum industry is handled in a completely different manner than anything with which we have been accustomed. Long terms, financing and other schemes are in force and are used generally by all companies.

C. Advertising: Bestwall's advertising is not excessive nor is the advertising staff a large one. However, by combining trade book advertising, lower rates in some cases can be obtained and, with our experience in dealing with collateral material, no doubt considerable money could be saved by virtue not only of quantity, but by doing it ourselves instead of having it done by an agency, as is presently being done by Bestwall.

D. Architectural Contact and Technical Selling: Bestwall has a crew of specialists working in this area. We do not. Some of this is needed in the plywood business and these men could as well increase their areas of conversation with the architects and/or engineers as they are on gypsum.

E. Market Research: Bestwall has a small department, as do we, but they overlap in a number of ways. By close cooperation, better and more efficient results seem certain to be obtained.

F. Regional Office Space: In time, and as leases expire, in a number of cases our gypsum people would be absorbed into one of our company-operated buildings; hence, not only saving money, but in throwing our people closer together to create a better working relationship.

G. Bestwall Salesmen: Because of their contacts, once they are schooled, could be effective in helping increase our plywood sales. This is particularly true on sheathing, prefinished, Plyform--Fiber-Ply. We may even find a way to combine these basic builder plywood items with gypsum board in order to meet the softboard-gypsum board competition now being offered by some of Bestwall's competitors.

IX. Summary: Bestwall is a well-run, closely-knit company. All personnel seem eager for the Georgia-Pacific-Bestwall merger to take place. They feel it has a lot to offer and also would take them out of the long period of uncertainty which has resulted from various merger discussions covering a good many months. The Bestwall organization is a fine and effective, hard-working and hard-hitting group. There is no fat on their bones, the organization being tightly run with its eye on the dollar. Its operations are similar to Georgia-Pacific's and it would fit in very well with our organization.

X. Recommendation: If controlled mineral deposits are adequate and the plant report is satisfactory, I feel this would be a profitable acquisition and I would recommend that we pursue it to a conclusion. The company is good now, but it is certain that we could improve it.

W. H. H.

WHH:mk

DX(G-P)-3

Georgia-Pacific

GYPSUM WALLBOARD (1/2") Average Mill Net Prices (MSF) 1968-73

	Average Mill Net Price	Change in Average Mill Net Price From 1968	Dollar Value Stated in 1968 Dollars	Average Mill Net Price Stated in 1968 Dollars	Change From 1968 in Average Mill Net Price Stated in 1968 Dollars
1968	$31.40	$ —	$1.000	$31.40	$ —
1969	27.61	-3.79	.954	26.34	- 5.06
1970	23.52	-7.88	.905	21.29	- 10.11
1971	26.32	- 5.08	.865	22.77	- 8.63
1972	28.69	- 2.71	.837	24.01	- 7.39
1973	31.05	-.35	.793	24.62	- 6.78

*Adjusted by the Gross National Product Implicit Price Deflator
Source: p. 2, ECONOMIC INDICATORS April, 1975

EXHIBIT
G-P

DX(G-P)-4

June 11, 1965

EXHIBIT
G-P 4

File

R. B. Pamplin

Bestwall Gypsum

We met with the key people of the Bestwall organization at Pooli and we all agree that we must sell 100% of production. My notes are as follows:

Cleveland Sales/Akron Plant - The sales territory may be rearranged somewhat to give part to the Wilmington sales territory from Akron. The sales manager said that he would have this plant selling full by next May.

Brunswick - This plant is producing 304 million feet annually and we are now selling as follows:

Bestwall sales organization	-	302 million
Johns Manville	-	38 million
Distribution Division	-	12 million
		352 million

We decided our distribution division should certainly sell an additional 12 million feet and also felt like they could have the balance of it picked up during the coming year.

Detroit Sales/Grand Rapids Plant - We are adding an additional warehouse at this plant to store gypsum and it is felt that we could sell this plant full.

Western Sales/Fircrest Plant - We agree that this plant must be sold full from San Francisco north and if it is necessary to have a Portland or Vancouver storage warehouse that this would be satisfactory. Sales felt that they could sell this plant full.

Dallas Sales/Azusa Plant - We would give the Los Angeles sales area to this plant and with this plant should be sold full. We might want to consider letting a sales department continue in Los Angeles but give them a quota on orders that they must furnish to this Azusa plant in order for the Dallas sales office to know what they can count on.

New Orleans Sales/New Orleans Plant - We agreed that this plant must be sold full and that we perhaps should split up this sales territory allocating a definite territory to this plant and putting in a seperate sales organization. We felt additional volume could be picked up for this plant of El Paso, 15 million feet, Phoenix, 12 million feet, Southern California, 30 million feet. This would give 57 million feet additional which would still leave approximately 30 million feet to go.

DOCUMENT NO. A.T.N. — A 1205

053267

DX(G-P)-4

File
Regional Program -8- June 11, 1945

Wilmington Sales/Wilmington Plant - It was felt that we could sell this plant full but that we would need a storage warehouse for approximately 5 million additional feet.

Kansas City Sales/Blue Rapids Plant - To sell this plant full we need to get an additional 24 million feet per month from the St. Louis territory and we should provide a warehouse to store an additional 5 million feet. Steps are going to be taken to see that we sell this plant to the best.

Ft. Dodge/Chicago - This plant can be sold faster but we must get an additional 20 million feet per year for the Blue Rapids plant. Steps are going to be taken to do this and we will also consider a warehouse at Chicago for 10 million feet storage capacity, the idea being that we will expand the Ft. Dodge plant later on.

R. B. P.

RBP:ns

EXHIBIT
D-P 5

053469

DX(G-P)-4

[redacted]
Pauli, Pennsylvania
May 18, 1945

TO: All Regional Sales Managers
R. B. [redacted]

CC: R. I. Fredericks - Pauli
cc: O. H. Villum - Pauli
E. T. Bonathan - Pauli

FROM: General Sales

SUBJECT: [redacted]

RE: R. A. [redacted]

During our meeting on April 30th, the Sales Department was charged with the responsibility of formulating plans and programs to accomplish our objectives - selling plant capacity. Each Regional Manager has scheduled an orientation session at Pauli. Messrs Pengilly and Rank will be in Pauli on June 7th and 8th. The purpose of their visit is to discuss each regional marketing plan in detail.

The following managers should schedule their arrival on Monday, June 6th:

R. B. Powers
W. E. Hale
J. W. Purlee
R. R. Hamilton

The following managers should schedule their arrival on Monday, June 7th. (Arrival no later than 5:00 p.m.)

F. B. Irvine
E. C. Harrison
D. A. Marsh
R. G. Rogers
E. H. Wilkie

All personnel are required to attend a dinner meeting on Monday evening, June 7th at 7:00 p.m.

053470

Exhibit No. 1805

DX(G-P)-5

ALL REGIONAL MANAGERS -2- May 18, 1966

SCHEDULE OF MEETINGS:

Monday, June 7th

8:00 -	9:30	March - Gorge (Grand Rapids)
9:30 -	11:00	Schilling - Brown (Acme)
11:00 -	12:30	Mole - Richards (Sigurd)
2:00 -	3:30	[illegible]
3:30 -	5:00	Schilling - Grove (New Orleans)
7:00 -	end	Group dinner meeting - all personnel attending.

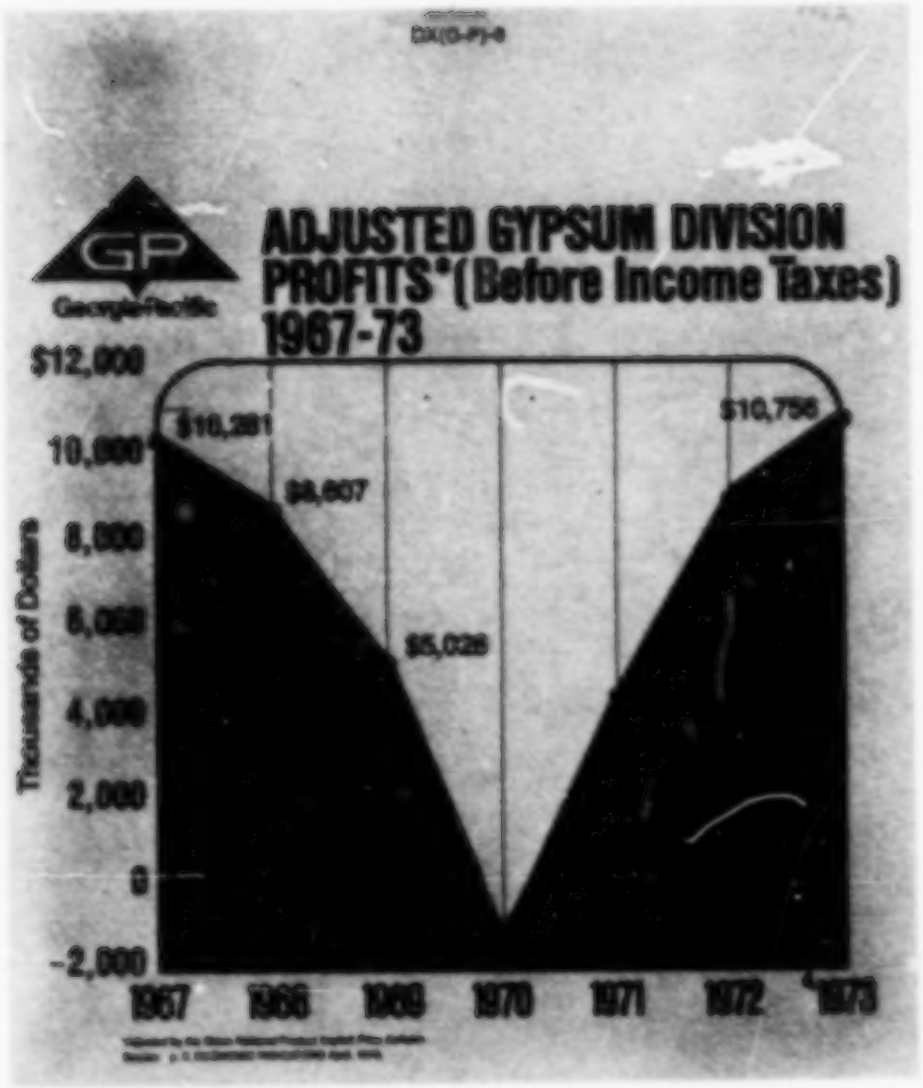
Tuesday, June 8th

8:00 -	9:30	Porter - Jorgensen (Blue Rapids)
9:30 -	11:00	Goetze - Zelms (Fort Dodge)
11:00 -	12:30	Wiltz - Coats (Akron)
2:00 -	3:30	[illegible]
3:30 -	5:00	Magow - Industrial

All Regional Sales Managers will be required to attend the individual conferences as scheduled above. Hotel accommodations have been made at the Tally-Ho Motel, Valley Forge, Pennsylvania. Limousine service is available from the airport to the motel. All of the individual conferences will be held in the General Offices. Transportation service between the Tally-Ho Motel and the General Office in Paoli will be furnished by the General Office.

DOCUMENT NO. 053200
A.E.N. -
A- 1216

DX(G-P)-6



DX(G-P)-50

Georgia-Pacific

Distribution Division Centers January 1, 1969

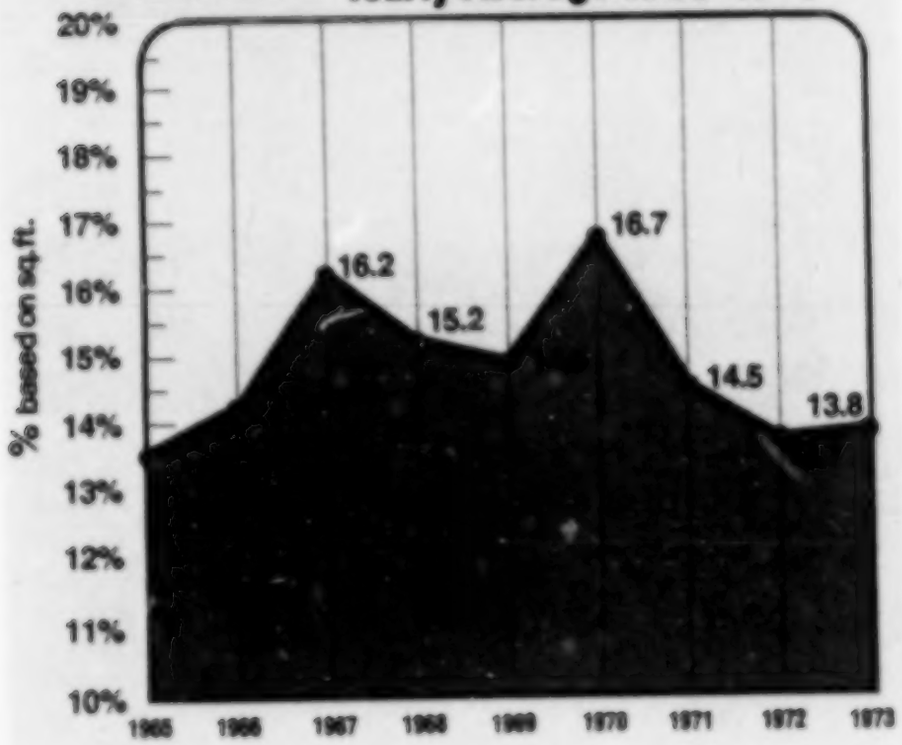
●Total number of centers: 102

GP-50

DX(G-P)-65

Georgia-Pacific

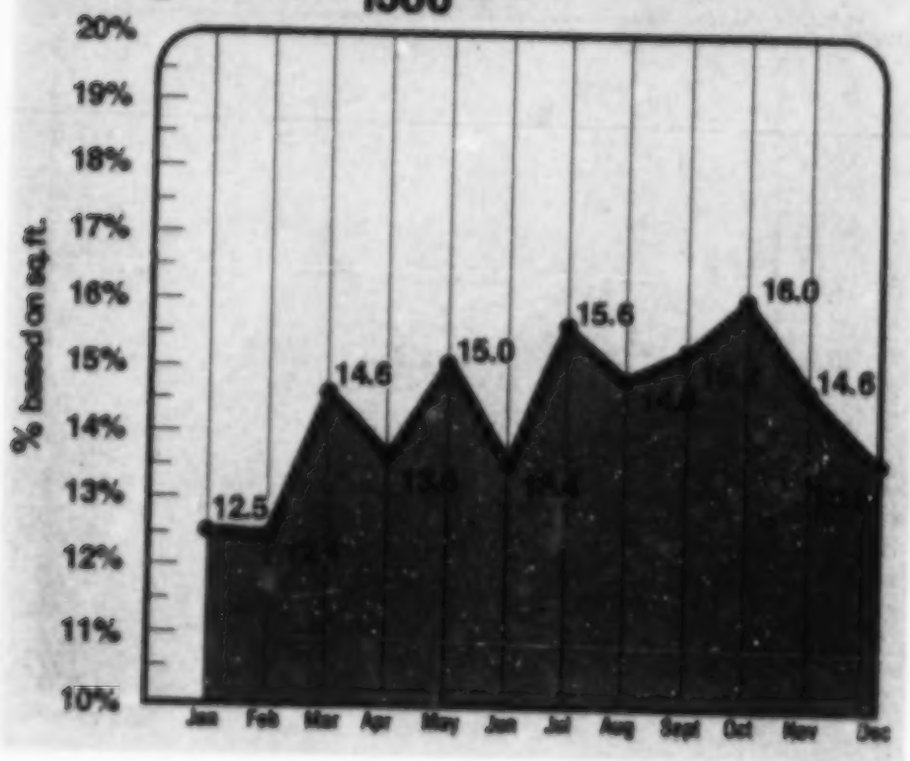
GYPSUM WALLBOARD Percent of Industry Sales Yearly Average 1965-1973



DX(G-P)-66

Georgia-Pacific

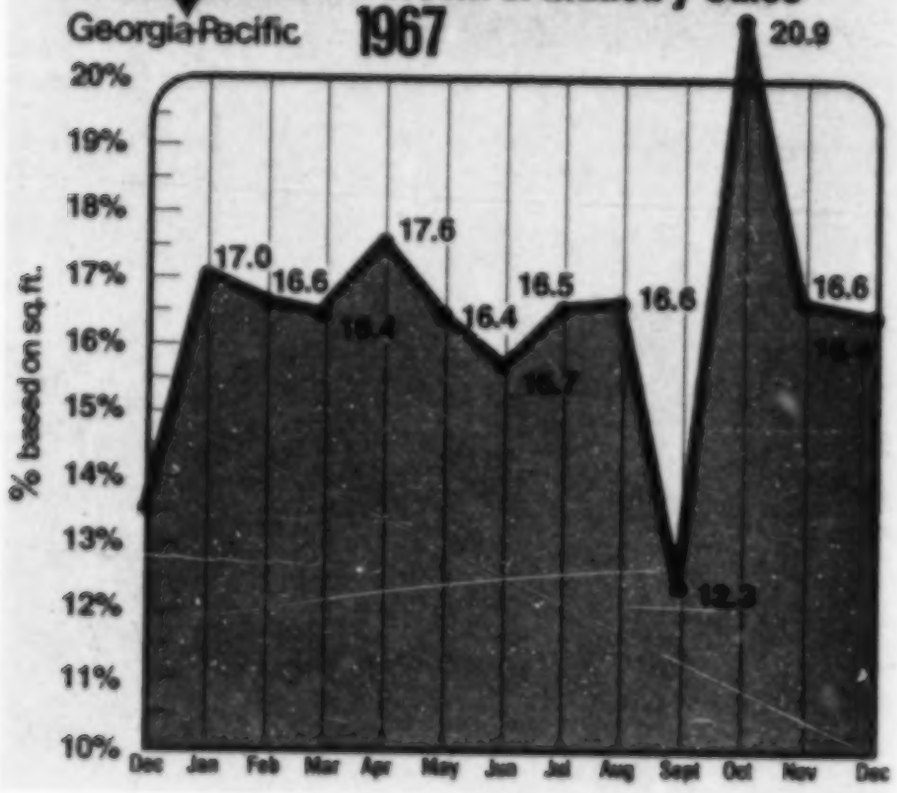
GYPSUM WALLBOARD
Percent of Industry Sales
1966



DX(G-P)-67

Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1967



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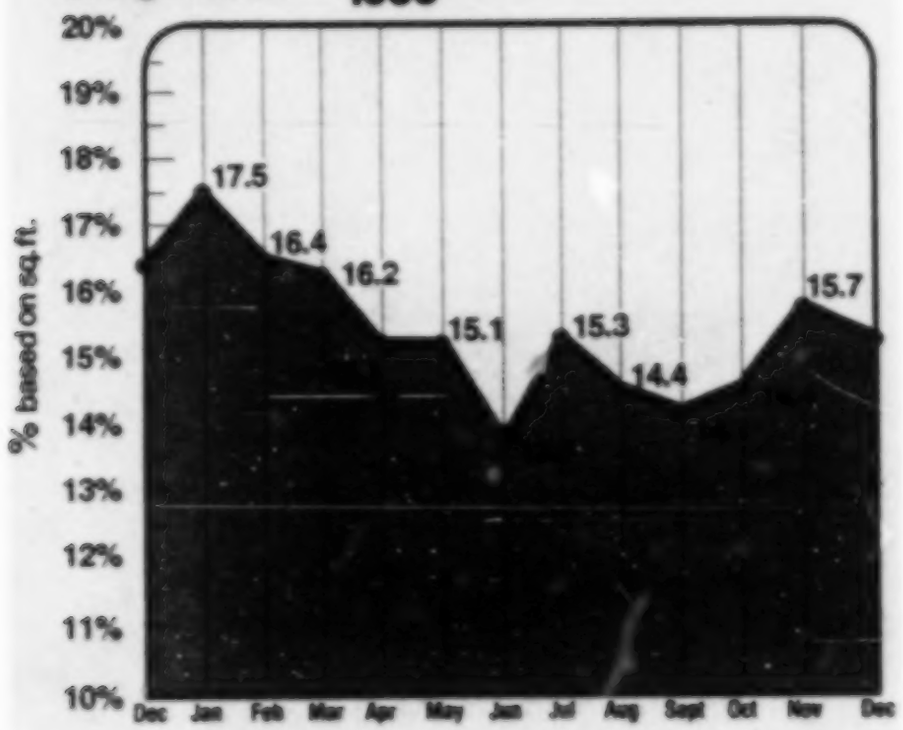
Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1968



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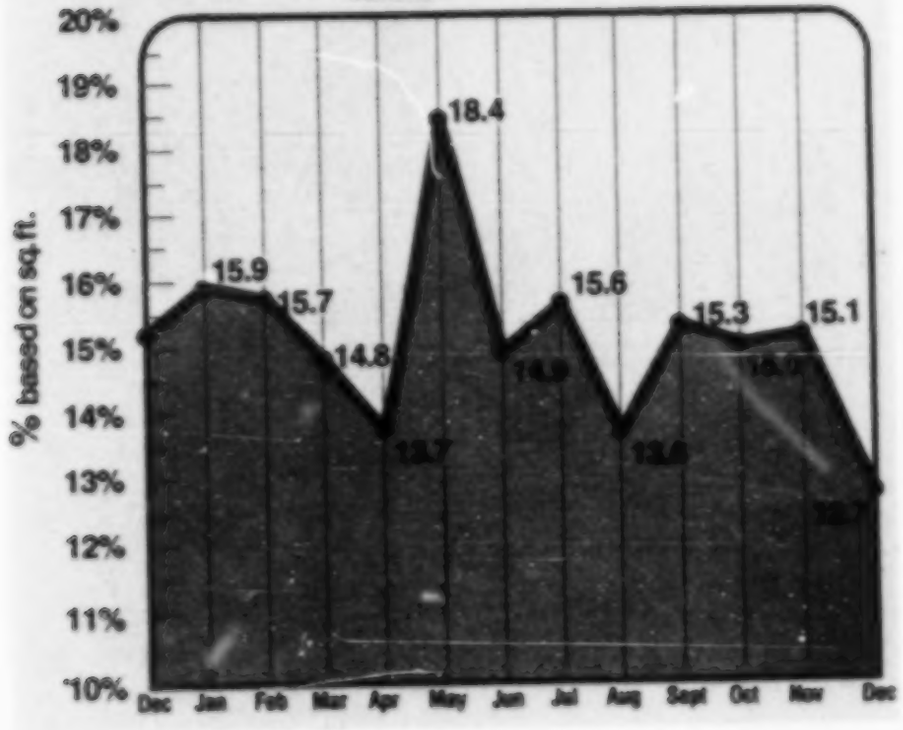
Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1969



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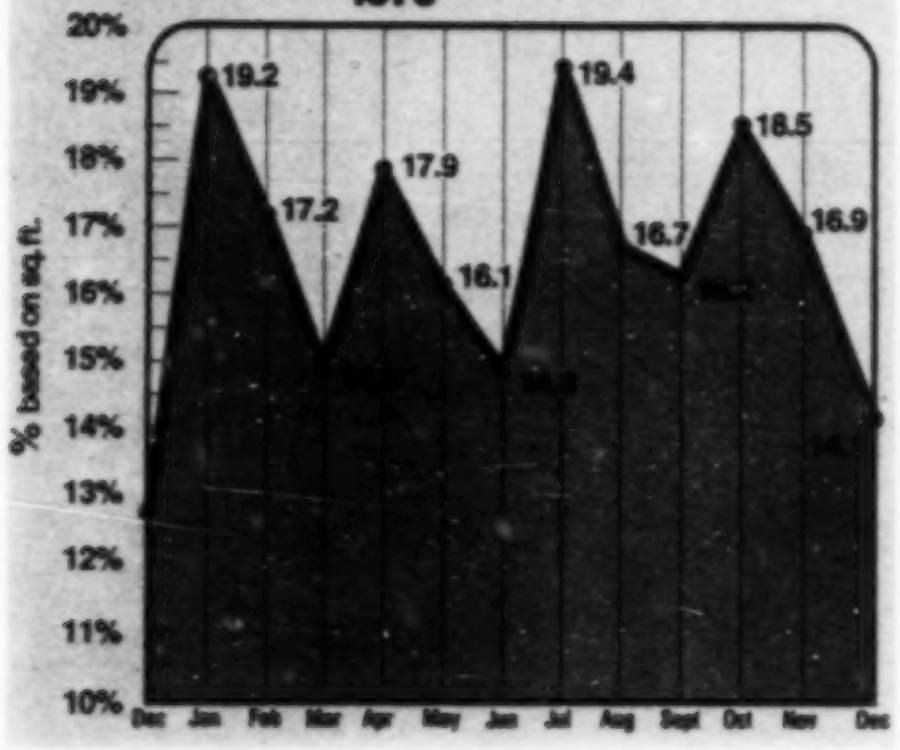
GP

Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1970



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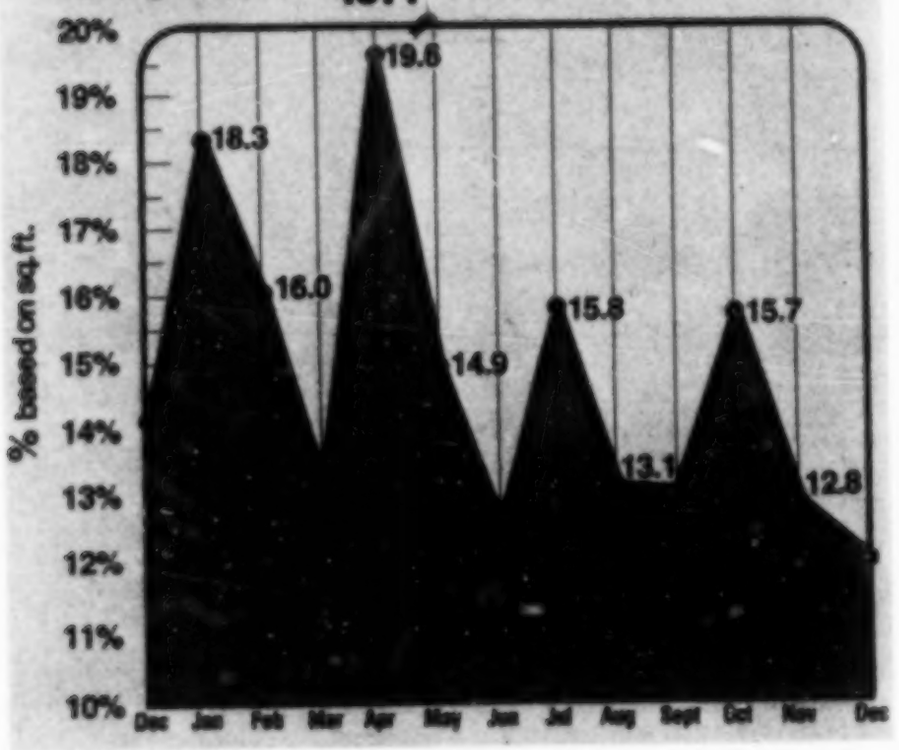
GP

Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1971



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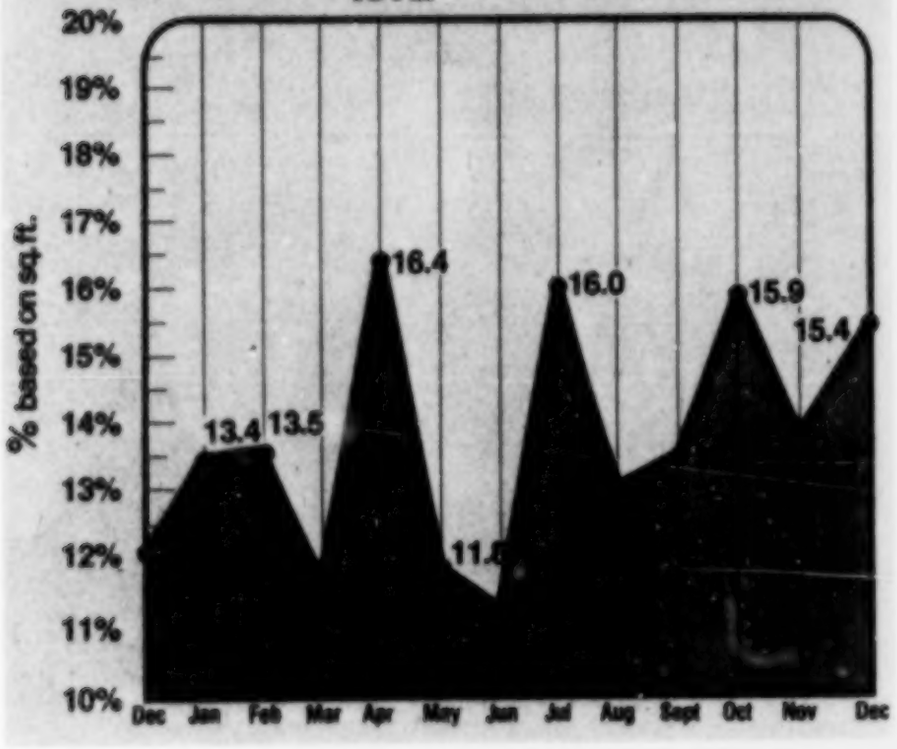
GP

Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1972



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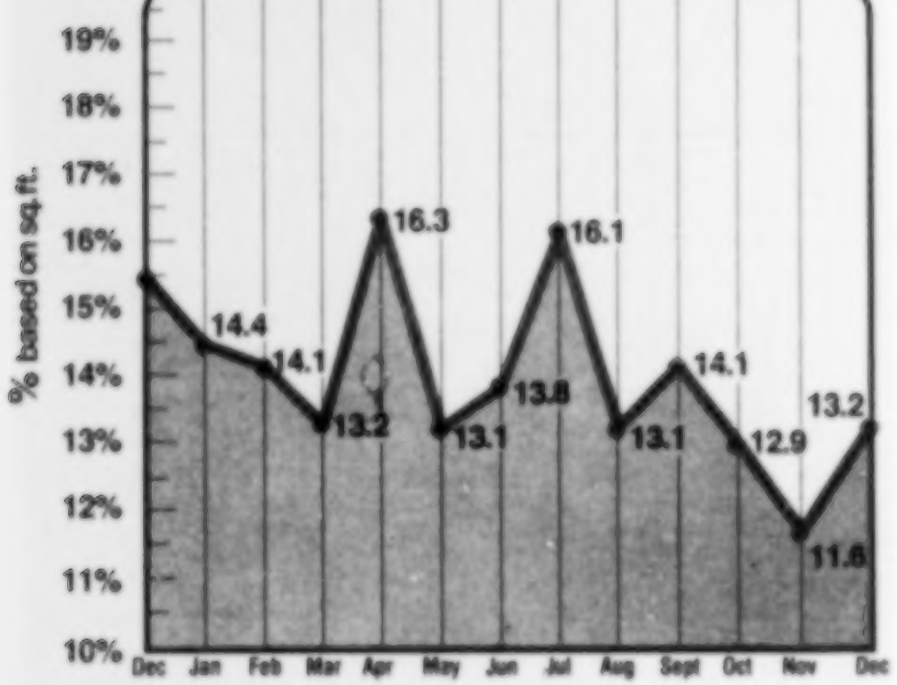
GP

Georgia-Pacific

GYPSUM WALLBOARD
Percent of Industry Sales
1973



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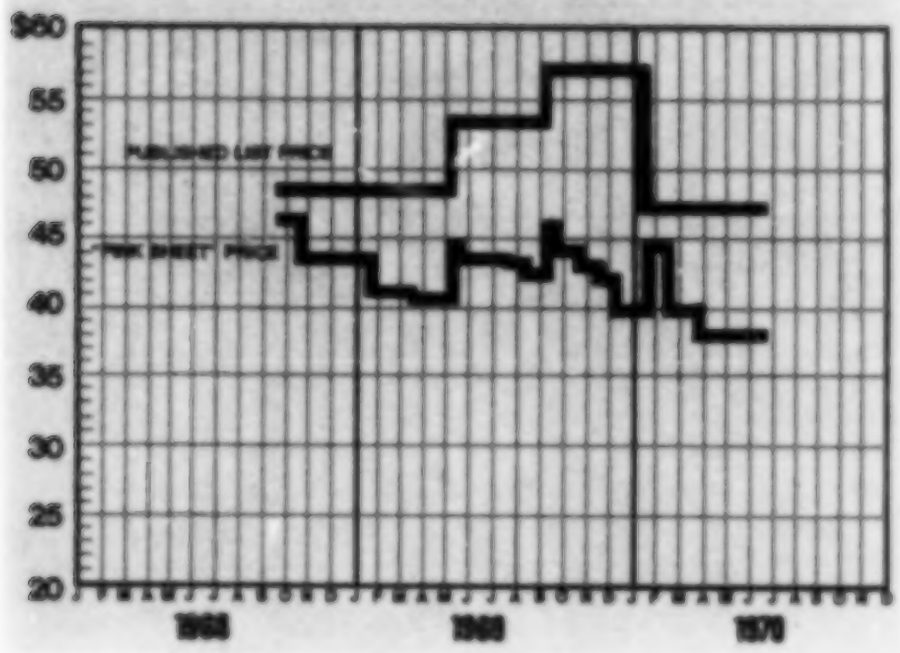
GP

Georgia-Pacific

GYPSUM WALLBOARD (1/2")
Pittsburgh Prices



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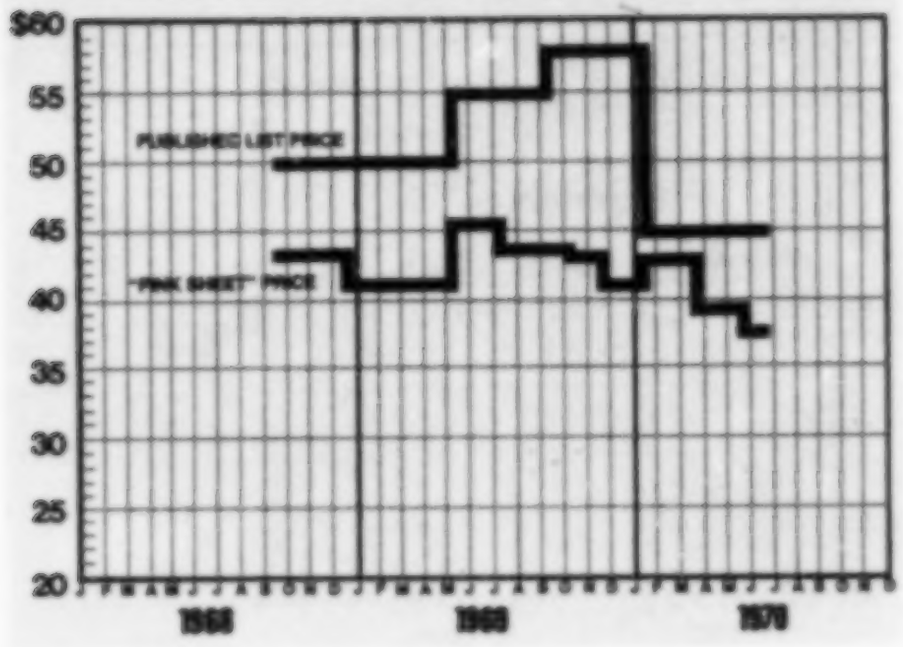
GP
Georgia-Pacific

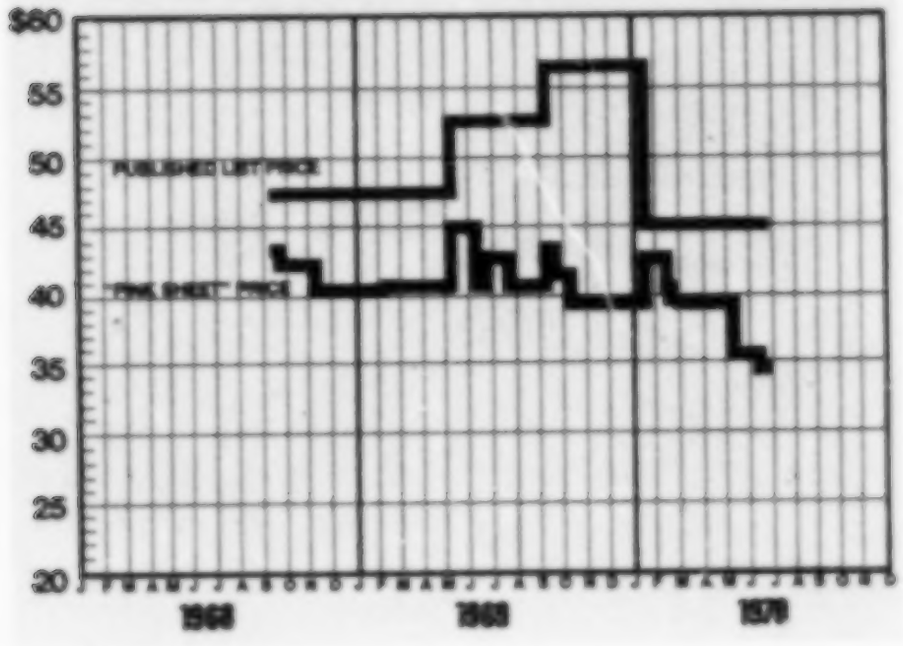
GYPSUM WALLBOARD (1/2")
Minneapolis Prices



DX(G-P)-102

GP
Georgia-Pacific

GYPSUM WALLBOARD (1/2")
Atlanta Prices



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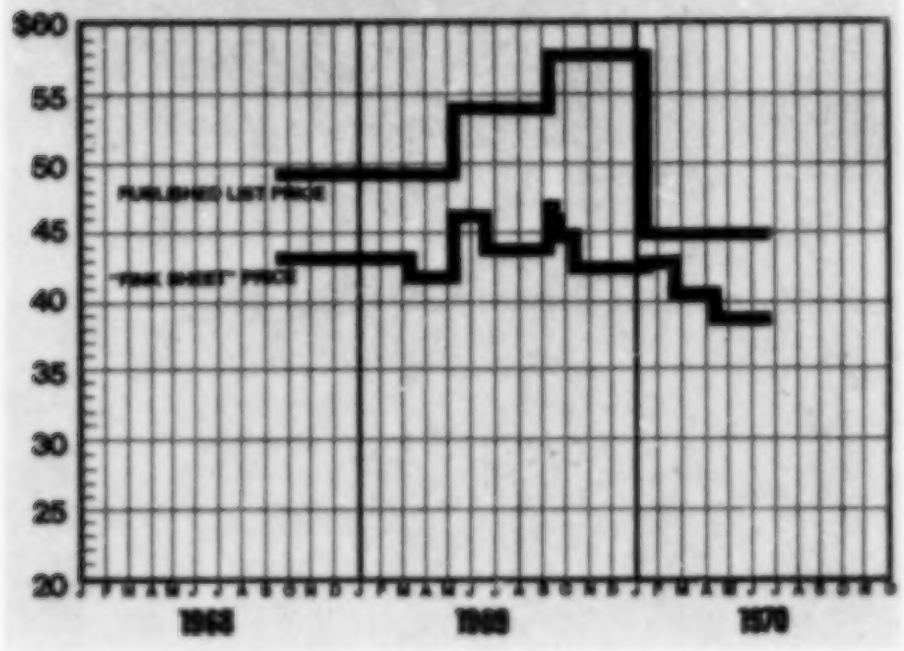
GP
Georgia-Pacific

GYPSUM WALLBOARD (1/2")
Washington D.C. Prices



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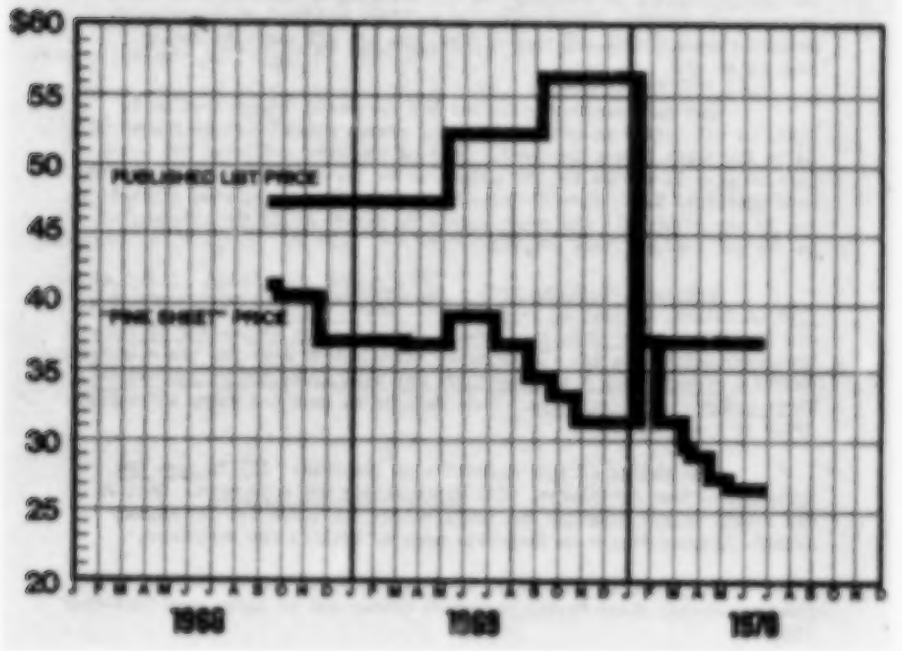
GP
Georgia-Pacific

GYPSUM WALLBOARD (1/2")
Dallas Prices



DX(G-P)130

G-P 130

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: July 8, 1968

TO: Branch Managers

LOCATION: Mid-Atlantic Region

FROM: L. H. Kebbe

LOCATION: Charlotte

SUBJECT: Gypsum Incentive Months - July, August, September, 1968

With increasing pressures to sell enough Gypsum to keep our plants rolling at capacity, we are offering an incentive to the salesmen for getting the Gypsum orders. This has been discussed with most of you, and from all indications, you are all ready to really rock it to us!!

For each customer that has not purchased Gypsum from us in 1968, we will offer an incentive to the branch which is to be passed on to the sales person involved. Some of you have indicated you would like to give $5 of the $25 for a carload to the inside salesman - others have indicated $10. We will leave that part of it up to your discretion, but in any event, all the money should be passed on to the salesmen so we can get some business rolling.

For each truckload from a new customer who has not purchased from us during the year of 1968, we will offer $12.50. These incentives are for the month of July and August. September is designated as repeat-the-order month. We are allotting an extra thirty days for the salesman to get a repeat order from a customer and will offer 50% of the original first order as the incentive. This will be on each and every subsequent order to the original.

The object of this promotion is two-fold: (1) To move the inventories from our plants. (2) To establish new customers. That is the reason we are offering the extra thirty day incentive for repeat orders, because we are in desperate need of regular new customers.

Each one of you should send me a copy of the new orders received during these Gypsum incentive months and no later than September 15th.

L. H. K.

5233

DOCUMENT NO. S
W. E. C. - 6/1/72

LHK:nm

cc: Mr. J. J. Castevens - Charlotte
Mr. A. L. Meyer - Portland
Mr. K. A. McCaskill - Portland

RECEIVED
GENERAL SALES - GYP

JUL 11

DX(G-P)-131

G-P 131

TO: BRANCH MANAGERS

FROM: LARRY TRAMMEL - CARROLLTON - 5/7/70

CC: BILL BROOKS
GENE BURCH

THE WHITE MONSTER IS OVERTAKING US.....SALES HAVE FALLEN BEHIND PRODUCTION AND INVENTORY AT ACME HAS BUILT UP TO THE CRITICAL LEVEL. THE PLANT WILL BE KEPT RUNNING AND OUR ONLY COURSE OF ACTION IS A CONTINUING SALES BLITZ.

THIS IS A RESPONSIBILITY AND OBLIGATION OF ALL OF US. NO BRANCH OR SALESMAN IS EXCUSED. WE MUST ALL SELL MORE....DO WHATEVER IS NECESSARY TO GET IT GOING AND KEEP IT GOING.

END OF GA

DX(G-P)-132

Facsimile
G-P 132

TO: BRANCH MANAGERS

FROM: L. B. TRAMMEL AND V. D. BROOKS - CARROLLTON 4/13/70

MOST OF YOU HAVE RESPONDED MAGNIFICENTLY TO THE NEED FOR ADDITIONAL GYPSUM BUSINESS. THE POINT THAT PERHAPS HAS NOT BEEN MADE CLEAR IS THAT THE NEED IS STILL WITH US AND WILL REMAIN WITH US. THERE IS NO LETTING UP. WE HAVE NO CHOICE BUT TO MEET NEW COMPETITIVE SITUATIONS AS THEY ARISE. WORK CLOSE WITH BILL ON PRICING. OBVIOUSLY, TO INCREASE OUR MARKET PENETRATION, YOU'LL HAVE TO SECURE BUSINESS FROM SOME COMPETITOR'S ACCOUNTS WHICH REPRESENTS NEW SOURCES FOR US. WE WANT EVERY ORDER.

GA GR EMD

DX(G-P)-156

EXHIBIT
G-P 156

April 6, 1970

Regional Managers

H. E. Sand Portland

Gypsum Operations

We have all been pushing, as you well know, for a long time to keep the gypsum moving out of the plants so that they can operate at full capacity. I have just gotten to the attached memo from Glenn Wilson pointing out their inability to store much more material in some plants and no more storage capacity in others. He explains it very clearly and, of course, we all know what our job is.

Let's continue to do everything humanly possible to keep this material moving so the plants can operate and in cases where it can fit in, allow the branches to build up a little inventory anticipating that we are going to have an upsurge hopefully in the building market.

H. E. S.

HES:lsj
Attachment
cc: W. E. Hunt
C. E. Wilson
O. E. Burch

DX(G-P)-165

EXHIBIT G-P 165

October 9, 1970

All Gypsum Division Reg/Dist.Mgrs.

G. E. Burch

Portland

PROFITS

This 4th Quarter of 1970 will be the most critical period our Division has ever faced. If we are to show any black ink at any of our plants each of us will have to contribute by diligently guarding and jealously protecting each and every dollar that passes through our hands.

The plain fact is that our Regional and District Managers have more effect on our profits than any other group in our Division. We depend on each of you to represent us properly and fairly in the field where, under today's marketing conditions, we end up with a profit or we end up with a loss.

Profits go to the profit-minded; think profit for your division. Each of you affect the profit through good work or bad, being careful or careless, thinking of ways to protect your division's interests. The profit earned - or lost - is merely the sum total of all these individual efforts.

In the past it has been a convenient crutch for us all to feel that even though the Gypsum Division wasn't making money on gypsum products, the Corporation as a whole was --- get this out of your mind. The only justification for our existence is to make a profit for our division. Failing in that, we are failing in our responsibility to the Corporation.

You can contribute --- you must contribute. Every time you approve a blue sheet adjustment stop and consider the effect that credit will have on our profits. Where once you may have leaned toward helping the branch, or the customer, it's time we began considering the effect on our profits.

Each time you approve or recommend a commitment deviating from market prices, stop and consider that you are giving away profit dollars that are sorely needed by your division.

Each time you recommend a change in prices that you have not thoroughly researched, you are failing in your duty to protect the interests of your division.

Get hard, and get tough. Our existence demands it. Fight to hold on to every dime. It should be apparent to us all that the criteria for judging our effectiveness is no longer volume alone. We have to run our mills, but we also are held responsible for running them at a profit. The two go hand in hand. RUN FLAT OUT - RUN AT A PROFIT!

CEB/mf

G.E.B.

CC: Portland General Sales

Dec: G. E. Wilson - Portland GPD

DX(G-P)-167

Re-typed copy 6P167

TO: Messrs. J. W. Hart, E. D. Hollingsworth, T. W. Richards

DATE: December 3, 1971

FROM: W. E. Hunt

LOCATION: Portland

SUBJECT: Full-Capacity Production

LOCATION: Portland

Concerning the discussions at our standards meeting, this will confirm that each and every one of our plants will run full unless circumstances are such that my approval is granted to do otherwise. If you should be unable to reach me by telephone and any situation of this nature develops requiring suggested action along these lines, then Harold Hand will be the man to contact with authority to make the decisions after the facts are in his possession.

There should be a continuous communication with Sales as far in advance as possible. If a problem seems to be developing, Gene Burch should know about it either through Harold Hand or Stan Dennison. The only way we are going to make the right kind of money is to run these plants and with the proper communication between Sales and Production I am sure we can do it at least a majority of the time. It will be necessary to use our warehouse space to the best possible advantage and in some cases we may need more. If you should have any recommendations along these lines, we will be glad to consider them. Naturally, the ideal thing to do is to keep putting the production out as fast as we produce it. Should there be a temporary surge of production and a lack of sales, however, then our warehouses should absorb it and vice versa when things go in the other direction.

Let's do our utmost to bring this about. I am sure we can approve what we have been doing if everybody works together.

W.E.H.

WEH:mk

cc: Messrs. H. H. Hand
O. E. Wilson
S. D. Dennison
G. E. Burch

DX(G-P)-167

GP 191

1971

EXHIBIT G-P 167

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

TO: Messrs. J. W. Hise, E. B. Hollingsworth, T. V. Richards

DATE: December 3, 1971

LOCATION: Portland

FROM: W. H. Hunt

LOCATION: Portland

SUBJECT: Profitability Production

Concerning the discussions at our standards meeting, this will confirm that each and every one of our plants will run full unless circumstances are such that my approval is granted to do otherwise. If you should be unable to reach me by telephone and any situation of this nature develops requiring suggested action along these lines, then Harold Reed will be directed to contact Wise Carmichael to make the decisions after the facts are in his possession.

There should be a continuous communication with Wilson as far in advance as possible. If a problem seems to be developing Corn Lunch should know about it either through Harold Reed or Stan Hanson. The only way we can hope to make the right kind of money is to run these plants and with the proper communication between sales and Production I am sure we can do it at least a majority of the time. It will be necessary to run our machines some to the best possible advantage and to have days of production and a lack of sales, however, then our warehouses should absorb it and vice versa when things go in the other direction.

Let's do our utmost to bring this about. I am sure we can improve what we have been doing if everybody works together.

W. H. H.

WHHunt

cc: Messrs. T. K. Reed
C. F. Millspaugh
W. W. Wilson
O. E. Lorch

DX(G-P)-215

All to see if you file in correspondence copy

'69 JAN 16 AM 11:30

EXHIBIT G-P 215

GA PAC CLEVE

1100

GPBW PORT

CLEVELAND - M D MEYER

FROM K A MC CARTILL 1/16/69

I ASK THAT EACH OF YOU CONSULT YOUR RESPECTIVE DISTRIBUTION DIVISION REGIONAL MANAGER THEN, EARLY NEXT WEEK, SUBMIT A TRADE PRICING PLAN WITH INCREASES TO REASONABLE LEVELS AND A SUGGESTED EFFECTIVE DATE. THIS PLAN SHOULD DISPLAY A MINIMUM $2.00 DIFFERENTIAL BETWEEN CARLOAD & TRUCKLOAD AND ALSO DISPLAY A UNIFORM PRICING BASIS FOR AMOUNT AND UNIT, OR UNITS, LTL F. O. B. WAREHOUSE. RECOGNIZING VARIATION FROM ONE BRANCH AREA TO THE NEXT MIGHT BE NECESSARY. THE DIFFERENTIAL SHOULD BE AS MINIMUM AS POSSIBLE. IN OTHER WORDS, THE LARGER A PRICING ZONE THE BETTER. THE OUT OF WAREHOUSE LTL PRICE WILL BE FOR PURPOSES OF ESTABLISHING A UNIFORM BASIS AND IN NO WAY INFERS A CONTROLLED REPEAT CONTROLLED LEVEL OF PRICING FROM BRANCH STOCKS. IT WILL BE FOR STRATEGIC PURPOSES.

DS(G-P)-215

GEORGIA-PACIFIC

MESSAGE MEMORANDUM

Mr. J. H. Goetze - Franklin Park
TO Mr. W. D. Brooks - Carrollton
Mr. R. D. Meyer - Cleveland

DATE 1/16/69

LOCATION

☒ THIS ☐ FAST
☐ DAY LETTER ☐ NIGHT LETTER

SIGNED K. A. McCaskill

I ASK THAT EACH OF YOU CONSULT YOUR RESPECTIVE DISTRIBUTION DIVISION REGIONAL MANAGER THEN, EARLY NEXT WEEK, SUBMIT A TRADE PRICING PLAN WITH INCREASES TO REASONABLE LEVELS AND A SUGGESTED EFFECTIVE DATE. THIS PLAN SHOULD DISPLAY A MINIMUM $2.00 DIFFERENTIAL BETWEEN CARLOAD & TRUCKLOAD AND ALSO DISPLAY A UNIFORM PRICING BASIS FOR AMOUNT AND UNIT, OR UNITS, LTL F.O.B. WAREHOUSE. RECOGNIZING VARIATION FROM ONE BRANCH AREA TO THE NEXT MIGHT BE NECESSARY. THE DIFFERENTIAL SHOULD BE AS MINIMUM AS POSSIBLE. IN OTHER WORDS, THE LARGER A PRICING ZONE THE BETTER. THE CUT OF WAREHOUSE LTL PRICE WILL BE FOR PURPOSES OF ESTABLISHING A UNIFORM BASIS AND IN NO WAY INFERS A CONTROLLED REPEAT CONTROLLED LEVEL OF PRICING FROM BRANCH STOCKS. IT WILL BE FOR STRATEGIC PURPOSES.

Typed CC: Mr. A. L. Meyer
Mr. B. F. Fots
Mr. R. W. Guenther

DS(G-P)-216

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE January 20, 1969

TO Mr. K. A. McCaskill — LOCATION Portland

FROM L. H. Kahoe — LOCATION Charlotte

SUBJECT Gypsum Pricing

EXHIBIT G-P 216

Jack and I have discussed the possible ways to increase the price of Gypsum effectively in the Mid-Atlantic region on several different occasions and at quite great length.

To accomplish a raise in the Gypsum plant return, there are numerous balances and counter-balances which would have to be taken into consideration if we were to take any part in the leadership of a price increase to the trade. The key to the price raising is that we must not lose the sales momentum of our branches, as long as we are only meeting competition or are able to keep our total sales up and bypass sub-marginal competitive situations. This is not something we cannot plan but have to handle each situation as it presents itself. This almost leaves the price increase up to our competitors, who I am sure must be in worse shape than we are. I don't see any possible way for us to be the spiritual leader in the price raising to the customers as long as they are presently still cutting the price where it isn't necessary.

Should Georgia-Pacific be forced to take the initiative on May 1st, which probably we should do if we have not received any indications from some of the other leaders by the 10th of February, I would suggest that we increase the current list price by $2 per M and say nothing about the current discounts in the market and keeping the cash discount still at the 2% level. We still have a few customers paying full list and a variation of discounts from there to four 5%s, which I believe is the Georgia-Pacific concept on how to price customers. If this were done, we would simultaneously increase the pink sheet price to the branches $2 per M. We would then guarantee this price until September 1, 1969, and then take a hard long look in July as to the market conditions and percent of capacity our competitors are running in relationship to their expectations. If the market is real strong at that point, it might be possible to raise $2 per M again. But if the market is not exceptionally strong, I would recommend delaying any price increase until January 30, 1970. Most important would be a price increase announcement in July, 1969 for the January 30th date. Traditionally, the Gypsum contractors are required to commit themselves from January through December, which is a calendar year. Since we are in a competitive situation, I feel it most important that the Gypsum manufacturers try to raise their prices in accordance with the natural industry trades. I feel that this was one of the problems we had in September, 1968.

Most of our Gypsum applicators in this area have committed themselves to 70 or 75% of their possible production for 1969. This makes it important, that if any price increase is going to stick, that

DS(G-P)-216

Mr. G. A. McCaskill - 2 - January 20, 1948

we be very careful not to raise his price more than 5% for work that he has already been committed to.

One last thought on increasing the current list price and letting the discounts fall where they may, is that it fits our concept. If we were to go to, say a $42 list and have it administered price at that level, I feel that our competition would have the advantage over us in that they would be able to work jobs and spend the time with the applicators to get solid sewed-up specifications that our dealers could not touch. At the present time, with discounts working to our advantage, we still have a strong situation on these jobs by working with the dealers, who it is our intention to work with.

L. S. K.

LSK:mm

cc: Mr. J. J. Castevens - Charlotte

DS(G-P)-217

[illegible]

DX(G-P)-217

DX(G-P)-217

BEST COPY AVAILABLE

DI(G-P)-219

OFFICE

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: January 20, 1969

TO: Mr. K. A. McCaskill — LOCATION: Portland

FROM: Fred MacLeod — LOCATION: Cleveland

SUBJECT: Gypsum Pricing

EXHIBIT G-P 219

Alex, I'm opposed to trying to lead any industry price increases. We're still recovering from the effects of our efforts last Fall and I believe a repetition will jeopardize our market position. I would think that the other majors are in a much more difficult position than we and I think it's time we let someone else be the missionary. Even then, I don't see how the market will accept a raise until we have a demand increase. The situation in this region is the weakest it's been at any time in the last two years. As much as I sympathize with the idea I don't feel it's practical at this time or until the market at least stabilizes.

FlMcL/ado

cc: Mr. H. E. Sand
Mr. R. D. Meyer

DI(G-P)-222

OFFICE

CONFIDENTIAL

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: January 23, 1969

TO: Mr. K. A. McCaskill — LOCATION: Portland

FROM: W. B. Brooks — LOCATION: Dallas

SUBJECT: GYPSUM PRICING

EXHIBIT G-P 222

This subject has been thoroughly explored and discussed, arriving at the following conclusions:

I. G-P should not lead in a price rise attempt in the Southwest.

A. Our reasoning is as follows:

1. There is a productive capacity from 14 plants in the Southwest of 2,765,000,000 feet.
2. The market potential is 1,632,700,000 feet which is 59% of available production.
3. There is an excess capacity of 1,132,300,000 feet or 41% of capacity idle.

B. The climate is no better now for us to lead than it was last September when we did lead with the detrimental effect of not only losing momentum, which took months to regain, but prevented us from making the 4th Quarter Budget.

1. Specifically, we took a strong position for the 9/16/68 price rise and made competition quite aware of it.
2. As a result of holding to our announced price, we were priced out of the market on projects for shipment in October and November with the result that:
   a. Sales slipped to new lows where Acme shipments ran at 61%.
   b. We didn't get Acme above 70% until mid December.
   c. Momentum was stilled, requiring some 3 months of effort to get it going again to where we are today, at 100% of budget.
   d. Acme got to the point of virtual shut down and the only way we reversed the trend was to temporarily "buy" some business in highly restricted spots - but it solved the immediate problem and we kept operating.

C. We can see no reason why an announced price rise now would work any better (in a seasonally slow period) when it didn't last September (a seasonally high period of demand).

II. On the positive side, due to the pricing method employed in the Southwest, we do not permit sales at a loss; thus, the Acme plant not only is running now at 100% of Budget, but sales are all programmed at a profit level.

A. The current pricing flexibility we now have has eliminated unprofitable sales, for example, where, due to truck rates long distances from Acme, a loss could be incurred by meeting competition in trucks but converted to larger sales via rail where we do have favorable rates, thus permitting profit.

1. We are attempting to move more production in markets closer to Acme such as Dallas, Houston and Oklahoma where we can compete at profitable levels.

a. This has put 25% of the volume in the Dallas/Ft. Worth area which are large markets and profitable freight wise.
b. Houston has 18% of the volume.
c. Oklahoma ended up 1949 with 9% but momentum has them now at 11% and these are all at a profit.

2. There are no long term type commitments outstanding. Volume is being secured from current and close term construction.

III. Therefore, our recommendation is to continue the successful policies employed in the Southwest - following price changes, not leading them. *

A. U S G is the largest in the industry and accordingly is in the best position to prove acceptance of an administered price rise. Diarks and Republic tend to operate on their own more than follow industry practices so we must remain flexible as these people have production, in aggregate, greater than Acme.

B. The greatest danger we found last September was in our adhering to the increase after the announced date, thus permitting competition to secure volume we would have had; business was lost and salesmen's enthusiasm waned at our being off the market.

C. We learned that by being flexible and being able to control pricing here, by exception, we could avoid price protection for long periods and take only volume profitable to us and in accordance with current needs.

Summary: Our conclusion for preference in the Southwest would be for G-P not to take the lead in publishing a price increase. If we publish at all, it should be only after all competition has proven that by publishing a higher price, they can make it stick. This does seem doubtful in view of past experience and over production. Therefore, we believe we should continue operating in the Southwest, as we have been doing, profitably.

Recommendations:

1. If competition does announce a workable trade price increase and they are successful in making it stick, we could then publish an extended plan calling for $1.00 to $2.00 increases programed at 6 month intervals for succeeding 18 months periods.

2. In the meantime gypsum volume should be moved as has been done in the Southwest - take on profitable business; turn down that which would incur loss.

3. Pink Sheet prices should not be below the minimum mill level profit standard sufficient to meet the requirements for profitable operation.

4. To effect this, using a cost plus freight basis as has been done here, below cost sales would be prevented and more production would be channeled to markets effectively reached by the plant. (This might be a real problem for Sigurd or Lovell)

5. Variance between truck and rail service should be governed by truck to effect the required return. This could mean more than $2.00 difference in some places - less in others, solely depending upon cost of freight and market condition. We have already made various changes between rail and truck prices where we can't reach by truck.

6. We concur that Warehouse published prices should be over direct prices, if published. Perhaps it would be better not to have any warehouse price published - not all Branches do. Not pricing a price at all prevents problems incurred in having too low a printed price.

7. Being committed to operating at full capacity means that to move the production we, not competition, should choose our markets and there are times when we may be forced to use price as a means to maintain production so this will have to be done in places of G-P's choosing as relates to our cost.

250-248 O - 77 - vol.8 - 7

DI(6-9)-222

6. Construction is supposed to be stronger in 1969 which will in itself tend to push prices up and we intend to follow through.

W. D. B.

WDB:jz

cc: Larry Trammel - Dallas

UNITED STATES GYPSUM COMPANY

101 SOUTH WACKER DRIVE CHICAGO • ILLINOIS 60606

November 21, 1968

GP 225

TO OUR GYPSUM BOARD CUSTOMERS
IN THE STATES LISTED BELOW

On July 8, 1968, we sent you new price lists covering U.S.G. Gypsum Board products which were to become effective September 1, 1968. To remain competitive, it was necessary for us to postpone the effective date of the changes to September 16, 1968.

We have since learned that some confusion exists among our customers regarding our correct list prices. This is to advise that we have not changed our list prices which became effective September 16, 1968.

To give our customers maximum opportunity to plan ahead, we assure you that these list prices will not be increased prior to May 1, 1969. We will advise you prior to May 1, 1969 regarding prices on U.S.G. Gypsum Board products to be effective after that date.

Very truly yours,

UNITED STATES GYPSUM COMPANY

E. W. Duffy

E. W. Duffy
Group Vice President
Construction Products

States in which U.S.G. Gypsum Board products are sold: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, San Francisco, Hawaii, Missouri, Missouri

GPBW PORT

GPBW WILM

2/7/69

TO: K A MCCASKILL - PORTLAND

FROM, T R KENSLEA - WASHINGTON

69 FEB 7 PM 1:13

GP 226

WEEKLY MARKETING LETTER FOR WEEK ENDING 2/7/69

1. MARKET ACTIVITIES

SHIPMENTS 705 M, STANDARD 790 M

2. COMPETITIVE CONDITIONS - U S G HAS ANNOUNCED A PRICE INCREASE ON BOARD PRODUCTS OF APPROX 10% EFFECTIVE MAY 1.

3. WEATHER CONDITIONS - WE HAD 1 DAY OF RAIN

4. PLANT SERVICE AND QUALITY - DUE TO LACK OF INVENTORY AT WILMINGTON WE WERE FORCED TO SHIP 4 TRUCKLOADS OF J M BOARD TO G P CUSTOMERS YESTERDAY. CUSTOMERS DO NOT LIKE J M LABELS BUT IT WAS EITHER THAT OR LOSE THE ORDERS AND WE ARE TRYING TO KEEP THE NUMBER OF LOST ORDERS AT A MINIMUM.

5. BRANCH ACTIVITIES - NOTHING NEW TO REPORT

6. LINE YARD ACTIVITIES - NOTHING NEW TO REPORT

GA GR END

K

DOCUMENT NO. G-[illegible]
W.C.C. - 8.1.42

March 31, 1969

Re: [illegible]

Dear [illegible]

[illegible]

GP 227

COPY

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LETTER 1 PLAN A A B

GEORGIA-PACIFIC CORPORATION

TO OUR CUSTOMERS:

On February 14, 1969 we announced new prices to be effective May 1, 1969. In the interim, we have encountered a conglomeration of trade discounts and therefore for a better understanding of gypsum pricing, the prices shown on the reverse side are effective immediately.

These prices are NET and are subject only to 2 percent cash discount if paid by the 20th day of the month following shipment. Invoices are due on a net basis on the 10th of the second month following shipment.

In accordance with our standard policy, there will be no price protection on specific jobs.

If you have any further questions, please contact your G-P representative or local distribution center.

GEORGIA-PACIFIC CORPORATION

Gypsum Division

LETTER 2 PLAN A

GEORGIA-PACIFIC CORPORATION

TO OUR CUSTOMERS:

Effective with shipments made on and after June 15, 1969, our prices on gypsum board machine products in the zones described will be as shown on the price list on the reverse side of this letter.

These prices are net and are subject only to 2 percent cash discount if invoices are paid by the 20th day of the month following shipment and are due net by the 10th day of the second month following shipment. In accordance with our standard policy, there will be no price protection on specific jobs.

If you have any further questions, please contact your G-P representative or local distribution center.

GEORGIA-PACIFIC CORPORATION

Gypsum Division

LETTER 2 PLAN B

GEORGIA-PACIFIC CORPORATION

COMMONWEALTH BUILDING - PORTLAND OREGON 97204
TELEPHONE 228-9201 - TELETYPE 910-464-4702
AREA CODE 503 - WESTERN UNION TELEX 036-491

TO OUR CUSTOMERS:

Effective with shipments made on and after June 15, 1969, the list price shown on the attached will apply in the zones described. These prices are subject to the following quantity discounts:

Minimum 40M# truckloads less 5%
Minimum 60M# carloads less 5% and 5%

These prices are further subject to a 2 percent cash discount if invoices are paid by the 20th day following shipment and invoices are due net by the 10th day of the second month following shipment. In accordance with our standard policy, there will be no price protection on specific jobs.

If you have any further questions, please contact your G-P representative or local distribution center.

GEORGIA-PACIFIC CORPORATION

Gypsum Division

DOCUMENT No. 1230253
W. D. C. - 03/72

GP 228

GEORGIA-PACIFIC

MESSAGE MEMORANDUM

TO: DAVID MACDONALD
LOCATION: ATLANTA
BRANCH: K A MacDONALD
CC: S E DENTON - ATLANTA

DATE: 3/21/69

☒ TWX ☐ FAST
☐ DAY LETTER ☐ NIGHT LETTER

A CHECK OF ALL OUR PLANTS AND CUSTOMERS IN GEORGIA INDICATES THAT THE PLANT CHOICE WILL HAVE TO BE DISCONTED. TURN AGAIN IT MAY NOT.

WE CANNOT DISCRIMINATE AGAINST ANOTHER REGION FROM SAME PLANT, AND IF WE DON'T ALLOCATE THE CEILING PROGRAM ON BASIS OF [illegible] REASON WE WILL BLOW ANY LIKELIHOOD OF GETTING THE INCREASE AT ALL.

THE 2.5M FT MONTHLY RELATES TO THE DIRECT MILL SHIPMENT RATIOS OF [illegible] SOUTHEAST REGION AS WE WILL SHIP ALL ORDERS FOR BRANCH STOCKS WHICH ARE [illegible] BE ALLOCATED AS WE PRESCRIBED. THIS IS A FIRM POSITION AND I SUGGEST YOU WORK OUT THE ALLOCATION PER BRANCH AND HOLD FOR DISCUSSION WITH ME.

I'M AGAINST GEORGIA I CAN SCOOT INTO ATLANTA TUESDAY FROM HARRISBURG. WILL ADVISE ON THIS MONDAY.

Typed CC: D. F. Pate [illegible]

DOCUMENT No. 6-2320512
W. D. C. - 03/72

All your fault-

March 7, 1969

Mr. A. L. Meyer — Portland

K. A. McCuskill — Portland

GP 229

We will discuss this with Ed Fate when we are both back in next week; however, so that both of you can be thinking about it, there is something which I feel we must study and then be prepared to follow with.

Taking the Southwest pricing and policy study which will be put together as a framework, we would apply the same treatment to every other Region.

This kind of planning and preparation will put us in position to move rather than react if circumstances dictate that this should be the case.

I feel the first move is to determine relativity. That is, based upon field information, what is the market level of pricing now as compared to the time of the price increase announcement, and also as compared to the effective date.

The purpose of this study must be fully explained to our Field Managements that they will understand the objectives, and also not draw conclusions on what our future action will be based upon its results.

KAM/ms — K.A.M.

CC: Mr. E. F. Fate - Portland

DOCUMENT No. 5
W. E. C. – 6/1/72

.PROV PART

EXHIBIT G-P 232

GEO PAC SEA Seattle

MARCH 28, 1969 TO K. A. McCUSKILL FROM C. G. REYNOLDS

MARKET REPORT - WEEK ENDING MARCH 27, 1969

LOVELL - BUDGET: 1,250,000' SHIPPED: 1,768,000' + 518,000'

SIGURD - BUDGET: 333,000' SHIPPD: 499,000' + 166,000'

MARKET ACTIVITY

SEATTLE, TACOMA AND PORTLAND ARE QUITE ACTIVE - THE REST OF THE REGION IS STILL SLOW AS FAR AS CONSTRUCTION IS CONCERNED. CONTRACTORS I HAVE TALKED TO ARE SOMEWHAT CONCERNED ABOUT THE HIGH INTEREST RATES. THE LARGE BUILDERS HAVE THEIR FINANCING SET UP FOR 1969, BUT THE SMALLER BUILDERS ARE THE ONES THAT ARE BEING HIT THE HARDEST.

COMPETITIVE ACTIVITY

NATIONAL GYPSUM SEEMS TO BE USING A DIFFERENT FREIGHT RATE BASE ON THEIR NAL-KOTE VENEER SYSTEM. THIS IS REFLECTED IN THEIR DELIVERED PRICE, WHICH IS $1.75 A TON LESS THAN DENS-COTE DELIVERED IN TO THE EUGENE - PORTLAND MARKET.

NATIONAL GYPSUM ANNOUNCED THE DISCONTINUANCE OF ALL TRADE DISCOUNTS AS OF MAY 1, 1969. THERE HAVE BEEN NO FURTHER ANNOUNCEMENTS BY OTHER MANUFACTURERS YET. KAISER TOLD VALLEY GYPSUM SUPPLY THEY LOSE OVER $5.00 PER M ON SHEATHING IN THIS AREA. Gypsum sheathing

SHIPPING AND QUALITY

WE ARE WORKING ON THE 120,00 # CARS INTO THE N.W. WE HAVE NOT BEEN TOO SUCCESSFUL IN THE PAST BUT ARE HOPING THE 97' CARS WILL REMEDY THIS.

SALT LAKE CITY BRANCH HAS NOT BEEN ABLE TO RECEIV A JOINT SYSTEM CAR THAT HAS NOT BEEN TO TO BE DAMAGED - THIS IS OUT OF ACME. THEY RECEIVE A CAR ON MARCH 24 THAT THEY WOULD NOT ACCEPT - IT WAS RETURNED TO THE RAILROAD. THEY HAVE BEEN PRACTICALLY OUT OF JOINT SYSTEM FOR 60 DAYS.

BOARD QUALITY IS GOOD.

DOCUMENT NO. 5
W. E. C. – 6/1/72

BEST COPY AVAILABLE

G-P 234

OF PAC PAPR

1035

OPSW PORT

FRANKLIN PARK - O DOEPKE

FROM K A MC [illegible]

PLS PASS THIS WORD ALONG TO BRANCHES AFTER CONSULTATION WITH DIST-
RIBUTION DIVISION REGIONAL MANAGER.

PINK SHEET PRICING, TO BE EFFECTIVE MAY 1ST, GOING OUT IN
MAIL TODAY. THE BASIS INTRODUCED TO TRADE WILL TAKE EFFECT OUTSIDE THE
BASIS OF LIST IS TO BE RAISED. CONVERSELY INTERNAL PRICING TO BRANCHES
IS BEING RAISED PROPORTIONATELY. THE NEW LEVELS WILL BE ESTABLISHED
BY EXTENT OF SUCCESSIVE DISCOUNTS. SINCE PRICING TO TRADE IS BASED
UPON INDEX OF THE NEW LIST IT WILL BE OUR POLICY THAT BRANCHES WILL
BILL DIRECT SHIPMENTS BY EXTENDING THE LIST PRICE AND SHOW APPLICABLE
LUMP "LESS COMPETITIVE DISCOUNT" AS THE INDICATOR TO ESTABLISH THE
DEALER COST. THIS IS VITAL. YOU AND ALL BRANCHES WILL BE RECEIVING
ILLUSTRATIVE INSTRUCTIONS NEXT WEEK.

[redacted]

CA OF EXPW

OFA PAC PAPW

PAC W DIC

[illegible]

DOCUMENT NO. [illegible]
W I C - [illegible]

PACIFIC-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: April 14, 1969

TO: All Branch Managers

LOCATION:

FROM: E. F. Pate

LOCATION: Portland

SUBJECT: GYPSUM PRICING

EXHIBIT
G-P 235

The new pink sheets covering your area are in the mail or will be within the next few days. These into-branch prices are effective May 1, 1969 and reflect the gypsum price increases as previously announced to be effective that date. You will note that both the blue list pages and pink sheet pages break our products down into three categories. The group A products are the six items that are most responsive to competitive pricing pressures.

The Group B products are the specialty products where a number of our competitors either do not have the products or buy them from a major producer such as ourselves. These products are not subject to the same competitive pricing pressures as Group A products, thus we will treat them accordingly. You will note that the Eternawall items are shown on the pink sheet at list, and therefore, are only subject to the standard branch functional discount unless authorized by Portland Gypsum Sales.

The only product under Group C is Gypsum Sheathing and this entire subject has been covered as per our memo of March 25, 1969.

Also effective May 1, 1969, all branches are to bill customers on the basis of the new list prices (blue list) with a separate entry on the invoice showing the applicable discounts as a lump sum identified as "less competitive discounts". We are attaching hereto a sample invoice showing the required method of invoicing. By your showing the list prices on the invoice, we will tend to strengthen the list price concept and the effective market prices.

If you have any questions on this, please contact your Gypsum Division Regional or District Manager for clarification.

E. F. P.

[illegible]

DOCUMENT NO. [illegible]
W I C - [illegible]

250-240 10-77 • 10.5 • 8

cc: Messrs: K. A. McCaskill
A. L. Meyer
O. F. Burch
K. W. Guenther
C. F. Baitinger
All Distribution Division Regional Managers
All District/Regional Managers
Denver, Albuquerque, and El Paso Branch Managers

To: All Branches excluding the Western and Pacific Northwest Region

Exhibit
GP 236

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE April 21, 1961

TO Mr. W. H. Hunt

LOCATION Portland

FROM E. A. McCaskill

LOCATION Portland

SUBJECT CUTBACK PRICES

EXHIBIT G-P 227

I have been giving this a lot of both careful and heartbreaking thought; heartbreaking because - other than having some standby plans involving a different type (defensive) of market pricing system - I can see nothing which will improve our return at the plant until the general market prices improve.

Only two things will improve that:

(1) Supply and demand in more reasonable balance, or

(2) A willingness on part of all producers to take less volume for higher prices, or - as you put it - possibly pass up some marginal volume. And for us to participate in such an approach will almost certainly mean operating levels at less than optimum capacity.

It is my opinion that the new pricing levels will hold no more than 60 days with the possible exception of the Midwest and Lake Central Regions - and just a part of that. There is just too much pressure on an already soft market.

The lid is off as far as the old centralized control methods - for both us, and though it took a little longer, also for all competition. Under these conditions there is no way that we can expect anything else than further erosion until economic factors take over; and this could be of some duration if California is any example.

I have some thoughts about an alternative which I hope to discuss with you as soon as possible. Though what I'm thinking about may be worth a try, I'm not sure that it first would be acceptable under our system and philosophy, or even if it would work under today's market conditions; however, at the rate we're going Y-T-D profit 1.2 million vs. a Y-T-D Standard of $3.9M it is my most plausible conclusion as to an alternative.

EAM/mf

E.A.M.

CC: Mr. H. E. Sand - Portland
Mr. G. H. Wilson - Portland

TO: R A MCCARTHY - PORT
FROM, T N BRESLIN - MACON

WEEKLY MARKET LETTER FOR WEEK ENDING 9/2/60

GP 238

1. MARKET ACTIVITIES

SHIPMENTS GOOD, STANDARD BOOK, ALLOCATION GOOD

2. COMPETITIVE CONDITIONS

IT APPEARS THAT THE NEW PRICE INCREASE IS IN EFFECT BY ALL MANUFACTURERS SHIPPING INTO THIS AREA. HOWEVER, THERE HAS BEEN WIDE SPREAD PRICE PROTECTION, EVIDENTLY BY ALL MANUFACTURERS BUT G P ON JUST ABOUT EVERY JOB OF ANY SIZE. IN ADDITION DEALERS HAVE BUILT INVENTORIES TO A MAXIMUM, AGAGIAXXX AGAIN WITH EVERYTHING BUT G P. IN VIEW OF THESE CONDITIONS BOARD DEMAND FROM WILMINGTON IS EXPECTED TO BE LIGHT FOR THE NEXT FEW WEEKS.

3. WEATHER - FAIR.

4. PLANT SERVICE & QUALITY

WE ARE IN SERIOUS TROUBLE ON JOINT SYSTEM SHIPMENTS FROM AKRON DUE TO LACK OF INVENTORY. ALMOST OVERNIGHT DELIVERIES HAVE GONE FROM 2 DAYS TO 2 WEEKS AND CUSTOMERS CANNOT AND WILL NOT WAIT THAT LONG FOR DELIVERY. IF WE DO NOT GET SOME RELIEF QUICKLY WE STAND TO LOSE A LARGE SHARE OF OUR JOINT SYSTEM BUSINESS IN THE AREA NORMALLY SERVICED BY THE AKRON PLANT. ONCE THIS BUSINESS IS LOST WE ARE NOT GOING TO GET IT BACK OVERNIGHT.

5. [illegible] ACTIVITY - SLOWER BUT TO EXPECT.

[illegible]
W.C.C - 9/6/60

[illegible]

GP 239

[illegible] May 16, 1960
TO [illegible] Portland
FROM Jack J. Cosgrove LOCATION: Charlotte
SUBJECT [illegible]

Out-of-warehouse sales holds average this week. Dealers are still resisting any buildup in their garden inventories.

Wanted inventories are out of proportion at the branches due to lack of volume sales, and shopping in Valparine, Texas and South Carolina branches are virtually all due to instrument which flies that developed a couple weeks ago plus manufacturing difficulties at the Russellville mill.

There are indications our gypsum competitors are giving price protection at the old prices. Also, we found they are giving two tons off gypsum shopping on current prices which we are not meeting at the present. Shipments from the Brunswick plant delayed this week because of paper problems.

Branch managers have taken an active part in solicitations and 1% penalty to become effective this month should be maintained within the region.

May outlook not too favorable as building activity has slacked off since the first of the month. Mobile home business continues to be very active.

Jack

JJC:lf

cc: Messrs. W. C. Hunt
F. V. Langlitz
M. A. McCarthy
C. E. Wilson
W. A. Purdy
J. B. Wright
All Regional Managers

EFFECTIVE [illegible] TELEPHONE 706-[illegible]
[illegible]
[illegible] [illegible] TELEPHONE [illegible]

[illegible]

GP 240

DATE: May 16, 1969

TO: Mr. H. E. Sand — LOCATION: Portland

FROM: Stanley S. Dennison — LOCATION: Atlanta

SUBJECT: Southeastern Market - Week Ending May 17, 1969

Sales held steady this week on practically all items except yellow pine sheathing which declined. We are still taking heavy losses on sanded plywood and are again having some losses on sheathing. We are daily being offered by outside producers lower prices on both sanded and sheathing than is indicated by Crown. These offerings that were also being made to our customers caused them to start holding off buying by the end of the week while they were waiting to see how low the market was going.

Our gypsum volume declined seriously this week. This appears to be mostly a problem with getting shipments from Brunswick. Apparently the mill has been having some problems with paper and machinery causing them to run behind on shipments. We are running into 2 and 3 fives off on gypsum sheathing which we are unable to meet under the present pricing situation. This is causing us to lose some of our board business when the two are tied together. Hopefully we will be able to find a way to meet this type of competition so we don't lose any market position.

Some of the dealers are beginning to worry about whether there will be a strike in the West Coast plywood industry. If they continue to worry, perhaps they will start buying for inventory.

Sincerely,

Stanley S. Dennison,
Regional Manager

SSD:bjs

CC: Mr. J. B. Berger
Mr. F. P. Brown, Jr.
Mr. W. H. Hunt
Mr. P. V. Lanfare
Mr. R. A. Rockwell
Mr. E. B. Rosenheim
Mr. Winston Turley
Mr. Olson Wilson
All Regional Managers

GP 241

DATE: May 16, 1969

TO: Fred Buck — LOCATION: Portland

FROM: W. E. Brooks — LOCATION: Dallas

SUBJECT: Crown Sheathing Sales

Re: Houston Branch

Per our phone conversation, U S G isn't sitting still on Sheathing prices in Houston either. One wholesale people in Harper Lumber Company in Houston who has been a sales G-P account + then received $7,000 ft. of sheathing. Houston quoted 4x8 SG Lath $5 and 32 which is a net of $31.72. He knew from last week's visit in Houston that sheathing was going for less but figured that U S G's price of $34.72 on U S G got the 4 trucks + and what a worker, that load is the door.

What else we're up against is the mixed order house or the dealer who gets all their requirements from us. There's no way we can isolate them and take only part of his requirements - like if U S G is low on the sheathing, they get the load.

Now when I talked to Ed last week and got the U S G figures for Alex for Houston, Ed said we had a price of $4.83 or 34.21 under the new structure and $7.47 price under the old + I don't know if that's in cuts or trucks but it still is a price.

Then again on Silbrid, we had a chance to bid on 1,000,000 ft. of gypsum sheathing, in trucks, June thru Sept. delivery. U S G again at $34.72. We bried at $28.75 and they TKO required it. The whatever note just is that we are in the sheathing business but again we aren't, competition is one consideration, then not in where we want to trad. The sales force finds it difficult to understand how competition can go after this business and we can't.

For immediate solution (though we are also about more systematic low price established a price in the Gulf States on Mixed Loads, including sheathing to fit of the needs of the average customer orders, we'd have a definite edge in Texas. Crown has 11 Mixed w. U. of Houston to back what I'm made and challenge some Texas which I'm sheath, and with a system that the Texas and other mills be able to maintain price and not have the Texas with low price mentality.

Yours very truly,

COPY

GP 242

BEST COPY AVAILABLE

GP 243

GP DSG CLTON

PORTLAND - ED FAIT GR V. D. BROOKS - CARROLLTON

GOT WORD THIS MORNING IN DALLAS THAT U S G MAILED A LETTER TO TRADE HERE TOO - SAYING THEY PLAN A $4.00 INCREASE 9/1/68. LOCAL COMMENT: "THEY OUTA THEIR TREES!" SEEMS LIKE THEY WRITE SOMETHING AND DO ANOTHER.

ADVISED SOME OTHER LOCATIONS TO BE ON LOOKOUT FOR THIS - COMMENTS FOLLOW THE RIDICULOUS RANGE LIKE HOW CAN THEY GET ONE IN SEPT. WHEN THEYIR ALREADY DROPPING FROM MAY? THIS LETTER THING MAKES U S G LOOK GOOFY BECAUSE THEY DON'T FOLLOW IT.

GA GP END

GREW PORT

GEORGIA-PACIFIC

GP 244

2269ex
DX(G-P)-245

GEORGIA-PACIFIC

INTRADEPARTMENTAL COMMUNICATION

DATE: May 21, 1969

TO: K. A. McCaskill — LOCATION: Portland

FROM: W. D. Brooks — LOCATION: Dallas

SUBJECT: GYPSUM BOARD PRICES - DALLAS MARKET

EXHIBIT
G-P 245

To keep you current on the Dallas market, prices remain unchanged. The proposed letter to the Dallas trade didn't go out yet either because by 5/9/69, Scotty had some feedback regarding attempts to increase. He had a very friendly contractor seek bids on a job to test the market. The initial feedback started out at around $45.00 delivered so if there was a chance to get more, the letter shouldn't be sent. Well, this $45.00 figure quickly faded to the prevailing $39.00 - $40.00 range (all scattered). Then on 5/15/69, Casa Linda had the attached price list out which pegs house jobs at $39.50 on 1/2" board - same on gypsum sheathing. I phoned Casa Linda under the guise of a contractor getting quotes for an apartment project for future construction and confirmed not only these as the scattered prices but when I asked how long it was good for, they said no change was in sight and these prices were good for any jobs quoted. When asked about brand, they said any brand I wanted, if that was important to me.

New U. S. G. is being laughed at because of their new letter today announcing a $4.00 increase 9/1/69 when there was no 3/1 increase in reality. So, we have refrained from sending out the proposed letter we composed here 5/7/69 in order to not establish a position from which retreat would be impractical as well as to not deter a September opportunity, slim as it may be. It doesn't look like any one Company can take the price up alone here because of production surplus available and the ability of the Dallas market to absorb a large volume at competitive freight rates. An increase of some sorts has been achieved in the other markets - Dallas hasn't affected them, due in part to the tremendous comparative volume and the builder type market. Nonetheless, the plan that seems most logical at this point is to embark on a program of increasing Dallas' costs virtually on a scheduled basis and in small increments each month like plan on 1½% per month or .50 MSF per month - I favor a percentage. This is only an idea that may serve to push and at the same time avoid this bit of price protection etc. etc. This could be a matter for discussion 5/29 when you are here.

The sheathing is something else. At $39.00 on direct trucks job site, no problem but house jobs delivered from stock is another thing with a net cost of $37.02. Competition hasn't held to their price on this any place it seems like so far.

Your forthcoming visit next week will be welcomed as only by first hand exposure can these things be completely reconciled.

W. D. B.

WDB:je

MAY 22 1969
DOCUMENT NO. 3.7057

GP 246

DATE May 22, 1961

TO Gene Smith LOCATION Portland

FROM W. D. Brooks LOCATION Dallas

SUBJECT CEDAR SHEATHING

GP 247

It is quite obvious now that we're all alone up here now on sheathing and competition has pulled the rug.

Houston 2inch U S G at $34.72, Kansas City finds Celotex and Flintkote at $39.00; Dallas has it delivered and scattered at $36.50 in reality, $39.50 published; Ft. Worth has it in trucks to dealers at $41.00; etc. etc.

Sheathing directly affects board volume and Gene, we are affected. A good example is Springfield, Missouri where yesterday, the Flintkote District Manager was traveling with the salesman - our man saw him at Springfield Mill and Lumber Company who let us see the quote and meet it if we wanted. I called Ed and you know the rest - we met the $39.00 as cost to Kansas City Branch who took it for zero margin but this I assure you was one time only. We make the rate from Blue Rapids yet got cut by Flintkote who ships from Shellwater, Texas. Blue Rapids sorely needs the volume and my question is two fold: 1. Why not position Kansas City sheathing cost same as 1/2" board so as to get these mixed orders? 2. If competitors can do this, why can't we? Especially where we make the rate? Something doesn't jibe and the only conclusion we can draw now is that our competitors make sheathing cheaper than we do.

As long as we have sheathing as a product to sell - and it appears everybody but Dierks does - we should be able to make it and sell it competitively through the channels of distribution under which we are currently structured.

W. D. B.

WDB:jm

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: April 23, 1969

TO: D. Pate

LOCATION: Portland

FROM: W. D. Brooks

LOCATION: Dallas

SUBJECT: GYPSUM PLANTS - PRICING SITUATION

EXHIBIT GP 248

To keep you informed and for your market info we learned yesterday that the major trade jobbers (dealers) in Dallas, like Slaughter Lumber, Cole Lumber, etc. do not plan on raising prices May 1 until the gypsum manufacturers can tell them what the new price will be and they are continuing to quote jobs at today's price. They are not advertising against May 1.

Dallas Branch has been quoting builders jobs now based on their low cost and not hit one yet. Four large jobs, which haven't even broke ground yet were lost due to price and this would represent July, August or September business.

Dallas now lost I. C. Deal business today. Deal is Dallas' largest apartment builder, who we've been supplying everything to. Beatty raised his deliverd and scattered price to $58.75. Deal's quotes on these next 4 buildings were $54.00 FOB job plus $4.00 handling for $58.00 total. This was on Coleton Lane. The next bid was $54.50 jobsite plus $4.00 handling for $58.50 scattered. This was National or U S G apparently and through a dealer. And the footage is 5 - 6 million feet which would run through about October. Deal doesn't particularly like Celotex so he may go for the $58.50 price. These jobs are the type we mentioned on the phone. They do the buying now for the material and call for delivery when the job is ready.

Lincoln Properties is another one involving 4 million feet. Same deal - jobsites not even framed yet but projects lined up. This 4 million feet will be scattered on through the rest of the year.

So here's in excess of 15 million feet for Fall delivery we won't have. These builders have bought there for less than what Dallas Branch can buy it and what it looks like is happening now is the same thing that happened to us last September when we bid high and competition was right in restarting in that severe mill slowdown in October and November. Dallas is our most critical market - and competition's too as evidenced by above. Someplace along the way we've got to peg in some vacuum for Fall production as we saw last year what can happen.

W. D. B.

WDB:jc

cc: K. A. McCaull - Portland

DOCUMENT APR 24 1969
W. C. - 6/1/72

COPY

GP 88

GEORGIA-PACIFIC
ROUTE SLIP

LOCATION

ATTN: Bill Brooks
I don't see Lou
Scott, Confirm
with 10 % off
in his pocket at
today's price + bill
get for this one &
when does your tin
work end —

☐ PLEASE HANDLE TO CONCLUSION ☐ FOR YOUR FILES
☐ READ AND GIVE US YOUR COMMENTS ☐ FOR YOUR APPROVAL
☐ PLEASE READ AND RETURN ☐ PER YOUR REQUEST

DATE: 4/25 FROM:

RECEIVED APR 25 1969

DX(G-P)-259

DX(G-P) 259
RETYPED FOR LEGIBILITY

April 22, 1968

Mr. W. D. Brooks — Dallas, Texas

A. L. Meyer — Portland

WEEKLY MARKET LETTER - WEEK ENDING APRIL 19

In your market report of the above date, you mention competitive activity on the part of J-M; and your comments lead us to believe that you are under the erroneous impression that we have some influence upon the sales and merchandising policies of this concern. Possibly this stems from the fact we supply materials to them, but it is certainly an incorrect assumption.

The sales and merchandising policies of J-M are entirely their own. We sell gypsum products to them under their own label in accordance with the terms of a contractual arrangement at specified prices f.o.b. our plants. When they ship it, or the prices at which they resell it, is entirely up to them. In other words, they are in every respect in the same position as any other competitor.

A.L.M.

ALM/cr
cc: Mr. K. A. McCaskill - Portland

025310

2271ax
DX(G-P)-259

RETYPED

April 22, 1968

Dallas, Texas

Portland

EXHIBIT G-P 259

WEEKLY MARKET LETTER - WEEK ENDING APRIL 19

In your market report of the above date, you mention competitive activity on the part of J-M; and your comments lead us to believe that you are under the erroneous impression that we have some influence upon the sales and merchandising policies of this concern. Possibly this stems from the fact we supply materials to them, but it is certainly an incorrect assumption.

The sales and merchandising policies of J-M are entirely their own. We sell gypsum products to them under their own label in accordance with the terms of a contractual arrangement at specified prices f.o.b. our plants. When they ship it, or the prices at which they resell it, is entirely up to them. In other words, they are in every respect in the same position as any other competitor.

A. L. M.

ALM/cr
cc: K. A. McCaskill - Portland

025310

BEST COPY AVAILABLE

DP 263

INTEROFFICE/INTERNAL COMMUNICATION

DATE January 12, 19[illegible]

TO Mr. K. A. McCaskill LOCATION Portland

FROM Mr. R. C. Hustead LOCATION Bellingham Sales

SUBJECT WEEKLY [illegible] LETTER FOR [illegible] ENDING 1/12/68

1. Market Conditions - Shipments down 150,000' less than last year and backlog conditions favorable for steady sales.

   We have been told U.S.G. is considering "B" grading for the aforesaid Lake Spirit Jensen and Lake Labish markets. This may have some effect on our sales in these markets however we understand that little has been shipped has been reported on a favorable basis.

   We have run into several jo's that are going on well be using Rapid Finish system. We are not running this product but did receive an order for a job in Vancouver this past week.

2. Competitive Conditions - In the more or less daily communication [illegible] we have run into some situations where Celotex Gypsum are continuing with old prices with no information as to when the end is. Celotex extension old price to at least the end of February. This is hurting us with several dealers who are because of the difference. They used to [illegible] I will discuss this with Mr. McCaskill when [illegible] to us in the Wilmington Office.

3. Weather Conditions - Zero temperatures throughout the entire Bellingham, which for some reason has not curtailed business as it normally does.

4. Plant Service & Quality - No problems with service our quality of Gallon [illegible] of Alaska.

5. Credit Situation - Because of lack of [illegible] collection [illegible] of work, I am not in a position to [illegible] on credit objects. Following have been added to [illegible] Have Bellis [illegible]. In my opinion, customers should be [illegible] to small billing to [illegible] of it. We have written [illegible] problems if necessary on the [illegible] Celotex [illegible].

6. [illegible]

7. [illegible]

DX(G-P)-265

DX(G-P) 265
RETYPED FOR LEGIBILITY

PSW PORT

GEOPACCORPLA

BESTWALL DIV.

TO K A MC CASKILL

SUBJECT WEEKLY MARKET LETTER 1 26 68

SHIPMENTS

515,000 FT - ACME

350,000 FT - SIGURD

865,000 FT - TOTAL

MARKET ACTIVITY CONSTRUCTION ACTIVITY IN THE SAN DIEGO AREA REMAINS STRONG IN THE GREATER LOS ANGELES AREA THINGS ARE PICKING UP

COMPETITIVE ACTIVITY PRICES ARE TUMBLING WITH A LOW PRICE OF $39.85 PER M BY CELOTEX BEING IN THE MARKET USG AND KAISER HAVE BEEN TAKING AWAY JOBS FROM US THROUGH A COMBINATION OF PRICE BUILDER ALLOWANCES AND TRUCKING ARRANGEMENTS LACK OF MANPOWER IN SO CALIFORNIA MAKES IT EXTREMELY DIFFICULT TO WORK OUT A SOUND PROGRAM AGAINST USG AND KAISERS COMPETITIVE ACTION

KAISER AND USG SELL CONTRACTORS DIRECT UNDER THE FOLLOWING CREDIT TERMS 5% IN 3 DAYS 2% IN 30 DAYS AND NET IN 60 DAYS THE 60 DAY TERMS ARE EXTREMELY ATTRACTIVE TO THE NUMEROUS UNDERCAP ITALIZED DRYWALL CONTRACTORS IN THE SOUTHERN CALIFORNIA MARKET

SHIPPING AND QUALITY NOTHING NEW TO REPORT

SORRY FOR DELAY BUT CIRCUMSTANCES HERE PREVENTED REPORT BEING SENT EARLIER I HAD ON MY DESK FRIDAY BUT AS YOU WILL NO DOUBT HEAR OFFICES BROKEN INTO AND MUCH DELAY RESULTED SORY AGAIN CJB

DX(G-P)-265

[illegible]

[illegible] 26 AM 8:25

EXHIBIT G-P 265

TO K A MC CARVILL

SUBJECT WEEKLY MARKET LETTER 1 26 68

ADMITTED

SHIPMENTS

515,000 FT - ACME

190,000 FT - [illegible]

945,000 FT - TOTAL

MARKET ACTIVITY CONSTRUCTION ACTIVITY IN THE SAN DIEGO AREA REMAINS STRONG IN THE GREATER LOS ANGELES AREA THINGS ARE PICKING UP

COMPETITIVE ACTIVITY PRICES ARE TUMBLING WITH A LOW PRICE OF $39.95 PER M SF CELOTEX BEING IN THE MARKET USG AND KAISER HAVE BEEN TAKING AWAY JOBS FROM US THROUGH A COMBINATION OF PRICE BUILDUP ALLOWANCES AND TRUCKING ARRANGEMENTS LACK OF MANPOWER IN SO CALIFORNIA MAKES IT EXTREMELY DIFFICULT TO WORK OUT A SOUND PROGRAM AGAINST USG AND KAISERS COMPETITIVE ACTION

KAISER AND USG SELL CONTRACTORS DIRECT UNDER THE FOLLOWING CREDIT TERMS 2% IN 5 DAYS 2% IN 30 DAYS AND NET IN 60 DAYS THE 60 DAY TERMS ARE EXTREMELY ATTRACTIVE TO THE NUMEROUS UNDERCAP ITALIZED DRYWALL CONTRACTORS IN THE SOUTHERN CALIFORNIA MARKET

PACKING AND QUALITY NOTHING NEW TO REPORT

[illegible] DELAY BUT CIRCUMSTANCES WERE BEYOND[illegible] REPORT BEING SENT [illegible] I HAD ON MY DESK FRIDAY BUT, AS YOU WILL NO DOUBT HEAR [illegible] RUSH INTO AND MUCH DELAY RESULTED SORRY AGAIN C.M

DX(G-P)-284

July 31, 1968

Mr. K. A. McCaskill — Portland

A. L. Meyer — Portland

Lorem

G-P 284

Cloudy and unsettled--sounds like a weather forecast, but actually it is about the only way I know to describe competitive conditions during the past week. Areas that the previous week appeared to be settling down are now becoming stormy. In addition to discounting, we now have U.S.G. and to some extent other manufacturers aggressively working on job commitments with the promise of price protection at least till the end of the year.

Nothing much has changed without any competitive reaction to our announced price increase on plaster products.

Highlights of the week are:

NORTHEAST

In Philadelphia Kaiser, National, Flintkote, and J-M are giving an additional 5% to key accounts, thus bringing the price of 1/2" down to $39.90. For the moment, we do not need to move because commitments that we have with specific accounts place us in a competitive position; however, Hartman is watching this so that the situation does not get out of hand.

On Long Island the trade discounts are 5 - 3 - 5 - $1.00 for a net of $40.80. Here, too, our commitments cover the situation and no further action is necessary at this time.

SOUTHEAST

We have had to position the branches in Orlando and Tampa with 13.6i effective July 22.

MID-ATLANTIC

In the Charlotte, Columbia, Greenville, Lynchburg, and Richmond Branch areas we have had some specific accounts on commitments to meet competitive situations. However, we can no longer handle in this manner because 5 + 5% trade discounts are all over the place. Accordingly, we have granted an additional 5% competitive allowance to the above branches effective today.

In this region U.S.G. is working jobs on a price protection basis as well as inducing dealers to cut their prices for these jobs. Result: They have found their way into accounts they have not sold before!

EAST CENTRAL

This is another region where U.S.G is very aggressive in offering job price protection to the end of the year. Lake Builders in Cleveland told our representative that last Monday U.S.G. gave them a commitment on 3 million feet price protected. In Pittsburgh, according to Roy Meyer, just about every job we've worked on is under attack by U.S.G. with price protection. A similar situation prevails in Detroit and Cincinnati.

I am reasonably confident that we can back in for our share of these jobs by meeting the protected prices but it appears that we shall have to establish a definite policy early next week.

MIDWEST

In Minneapolis Texas Gypsum is quoting gypsum board at list less 5 + 5% at all levels of dealer trade. Also, in Indianapolis U. S. Dawson, a Temple distributor, has their salesmen soliciting gypsum orders from our customers on the basis of $2.00 below whatever price we quote. In both instances Texas hasn't made any sales but they are certainly stirring up the waters.

SOUTHWEST

To maintain our position we have had to increase branch commissions to 18.6% on directs at Little Rock, Lafayette,(Louisiana) on both stock and direct.

This leaves only Memphis, New Orleans, and San Antonio at 14.3% on directs.

WESTERN

There was another decline in prices in Northern California by U.S.G., Kaiser, and J-M to $36.00 on 1/2" less 2% cash discount, in 00,0000 cars or truck and trailer. We met this by adjusting our pink sheet prices downward on 1/4", 3/8", 1/2", 1/2" FIRESTOP, AND 5/8" FIRESTOP. This places us in a loss position on 1/4" and 2/2" Board at the mill.

News flash! Flintkote/Blue Diamond announced to customers in the West on July 15 new prices effective August 1. We do not have all of the figures but in Southern California their price is $39.50 less 5% cash discount. This is the same as Kaiser's latest price in that area.

A. L. M.

ALM/cr

Date September 10, 1968

cc: R. A. Marshall

R. T. Fuhr

Portland

Portland

Re: Week Ending September 20, 1968

GP 300

[illegible] marked the effective date of our "price [illegible]". The entire price increase can be summarized in two words: "fully competitive". It would appear that, in many areas, the list prices have gone up with the same previous discounts, in effect an increase in price. Coupled this with the change in cash discount terms in the East from 2% and 31 to a straight 2%, we find some areas where the increase has gone into effect and we are getting more money for our merchandise.

[illegible]

Again, there have been no further comments on the western price advance.

[illegible]

New price pages have been published and sent to the offices and will be in effect September 21. Everything looks very encouraging for a greater price increase.

[illegible]

[illegible]

It was recommended this week to position the [illegible] with a view toward [illegible] in which we have considerable activity. [illegible] presently [illegible] subsidiary [illegible].

[illegible] that the point [illegible] the [illegible] of [illegible] etc. at [illegible] the [illegible] dispersers. It appears that [illegible] in the Southwest this week [illegible] had a [illegible] at $1.00 a thousand, which was [illegible] days. If the [illegible] know about it, it was old history.

[illegible]

The Southwest Region appears to be fully competitive, and it seems that most of our telephone time this week has been spent with the Southwest Region management. The Southwest Region went on pink sheets effective Monday, 9/16, and billing was held at the Brunswick Plant to compensate for this. Various reports have been received, but substantially the price protection at the dealer level as opposed to job contractor level has been prevalent.

[illegible]

We have a report that it might be necessary to meet [illegible] with two dealers in the Seattle area so as to enable them to deal with dealers on competitive merchandise.

[illegible]

'68 SEP 20 AM 11:40

PORT

GP 301

PAC ATL

PAC ATL

[illegible] DO MAC PARLAND 9/20

CC S'S DEVISION

WEEKLY MARKET LETTER 9/20/68

BRUNSWICK SHIPMENTS 3,731

BUDGET 3,081

UP 710

MARKET CONDITIONS - BUILDING CONTINUES IN ALL AREAS AT A GOOD RATE.

ARCHITECTS HAVE PLENTY ON BOARDS

COMPETITIVE CONDITIONS - NATIONAL AND USG CONTINUE TO PRICE AT NEW PRICES WITH 2% C.D. HOWEVER, REPORTS FROM PRACTICALLY ALL AREAS INDICATE THEY ARE TELLING DEALERS TO PAY INVOICES ON OLD PRICE LESS 9% C.D. AND INTERNAL CREDIT WILL BE ISSUED.

WEATHER - MUCH RAIN DURING WEEK

SERVICE - FLAT CAR SHORTAGE BECOMING SERIOUS. WE ARE CONVERTING ALL CARS POSSIBLE TO TRUCKS.

QUALITY - NO COMPLAINTS

BRANCH ACTIVITY - NOTHING NEW TO REPORT

[illegible]

DOCUMENT NO 5 [illegible]
W R G - 6 : 72

GP 203

[illegible]

Mr. E. A. McC[illegible]

A. L. Myer

PRICE

Re: Week Ending September 27, 1968

Date September 27, 1968

Location Portland

Location Portland

REGIONAL COMMENTS

SOUTHEAST

Old prices and competitive trade discounts are much in evidence. In Macon area Kaiser reportedly advised dealers that they are rolling back to old prices and discounts. Our branches are in a position to meet this where necessary.

To meet competition of USG and National, we reduced pink sheet prices on Board Products in this region by 2% effective 9/23.

On plaster we were obliged to authorize branches to meet competition of price protection aging: our 9/21 increase.

MID-ATLANTIC

In Baltimore Flintkote and USG are offering [illegible] specific job price protection beyond 12/31. We have authorized Kenslea to meet this where he is able to get a firm commitment from dealers or contractors.

Kaiser reports that 9% - 9% and 2% cash discount is not sufficient to be competitive in many areas.

MIDWEST

Unconfirmed reports at this writing that USG is allowing three 5's in Peoria market.

[illegible] reporting 5 and 5 [illegible] discount names to [illegible]

[illegible] and Fir and Pine were [illegible] sheet prices effective 9/2- to position them to more competitive of Cal and National.

[illegible]

[illegible]: American has a new distributor in this market who is dropping prices sharply according to Umbrell. Situation is being watched for further developments, but branch should be able to handle the situation at present.

[illegible] Price on 1/2" to declare has declined to $27.50. effective 10/1 branch pink sheet pri[illegible] been adjusted in Northern California to same as Southern California i.e. $35.00 on 1/2" Regular and $25.00 on 5/8" Ellustap.

To remain competitive the branches are obliged to loosen some of their profit; but from a plant standpoint we are already in a loss position so there is little else we can do.

[illegible] last call 2 week sheet price reduction 9/16 [illegible] effective 1/11. We have [illegible]

A. L. H.

[illegible]

[illegible] CP 308

[illegible]

BEST COPY AVAILABLE

GP 911

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: October 4, 1968

TO: Mr. H. E. Sand — LOCATION: Portland Office

FROM: A. M. Wright — LOCATION: Seattle

SUBJECT: MARKET REPORT - WEEK ENDING OCTOBER 4, 1968

This week's volume is down from last week. Managers report, however, they have booked some good business which will reflect later in the month.

Plywood continues in a strong position. We hear of lower prices, but so far this has had little effect on movement. Profits remain good. Banded inventories are "low-low" to "low". Sheathing fair.

We have had an excellent week in gypsum sales. Apparently being competitive makes the difference. Prices have now settled back to the old list prior to September 1 with all manufacturers. It has become evident there was a lot of price protection given by the so-called "Majors" who would like us to believe otherwise.

AMW

cc: Mr. W. S. Hunt
Mr. Frank Langfitt, Jr.
Mr. E. A. McCaskill
Mr. O. E. Wilson
Mr. J. E. Berger
Regional Managers

DOCUMENT NO. S 10004
W. E. C. — 8/1/72

ZSI-146 O - 77 - vol. 6 - 17

2283ax
DI(G-P)-314

GA PAC ATL
K. A. MCCASKILL
FM. D. K. MACFARLAND
CC: S. S. DENNISON - ATLANTA '68 OCT 25 AM 11:14
SUBJECT: WEEKLY MARKET LETTER 10-25-68

EXHIBIT
G-P 314

SHIPMENTS: BRUNSWICK 2,256
QUOTA 3,337

DOWN 1,081

MARKET CONDITIONS: BUSINESS REMAINS UNSETTLED AND SHIPMENTS ARE QUITE A BIT OFF STANDARD. FROM ALL INDICATIONS, JOBS ARE NOT READY FOR GYPSUM. I DON'T BELIEVE, HOWEVER, WE HAVE LOST POSITION.

COMPETITIVE CONDITIONS: PRICES CONTINUE TO CHANGE FROM DAY TO DAY. KAISER NOW RUMORED TO BE PROTECTING JOBS ON "LIFE OF JOB" BASIS ALONG WITH U.S.G. AND NATIONAL.

WEATHER: FAIR AND COOL.

SERVICE AND QUALITY: GOOD.

BRANCH ACTIVITY: GYPSUM BLITZ SCHEDULED FOR KNOXVILLE BRANCH NOV. 18, 19 AND 20.

ADDITIONAL $2.00 PER M INCENTIVE TO ATLANTA, KNOXVILLE, ALBANY, NASHVILLE BRANCHES HAS GENERATED ADDITIONAL BUSINESS FOR IMMEDIATE SHIPMENT BY 50 CARS.

GA GR END
ENDP

GRSW DWGT

GA PAC CLEVE
PTLD 8 A MCCASKILL FRM ROGER MEYER 10/23/68
WEEKLY MKT REPORT

	AKRON	GRAND RAPIDS
BUDGET	675,000'	2,157,000'
SHIPPED	747,000'	2,066,000'
+	72,000'	- 91,000'

EXHIBIT
G-P 315

MKT ACTIVITY - BUSINESS WAS GOOD IN MOST BRANCH AREAS THIS WEEK. CINCINNATI WAS ONE BRANCH WHICH DROPPED BADLY IN SALES LAST WEEK.

COMPETITION - PRICES ARE DETERIORATING BADLY. WE ARE PLAYING CATCHUP IN MOST BRANCHES.

WEATHER - RAIN -- HAS HAD SOME EFFECT ON BUSINESS.

SERVICE - PLANTS ARE CONSTANTLY OUT OF PALLETS. ORDERS ARE LOST BECAUSE OF NOT BEING ABLE TO SHIP MATERIAL ON PALLETS.

QUALITY - BOARD PROBLEMS AT AKRON MILL. PLASTER PROBLEMS AT GRAND RAPIDS MILL. MUCH DAMAGE MATERIAL BEING RECEIVED ON SHIPMENTS FROM GRAND RAPIDS.

LINE YARDS - NO CHANGES

013450

GA GR END
ENDPP

DI(G-P)-316

GEORGIA-PACIFIC

TO: Mr. R. A. McCaskill

FROM: A. L. Meyer

SUBJECT: PRICES

Re: Week Ending October 25, 1968

DATE: October 25, 1968

LOCATION: Portland

LOCATION: Portland

EXHIBIT G-P 316

GENERAL

The situations regarding pricing during the past week have been somewhat mixed. Relatively quiet in some areas and increasingly chaotic in others as far as gypsum board products are concerned. The more distressing situations will be covered in our regional comments below.

REGIONAL COMMENTS

NORTHEAST

We were obliged to reduce pink sheet prices for the Clifton Branch by 5% in order to position them to meet competition in the area.

Hartman reports that in the Philadelphia area Flintkote is offering the old price on both large and small jobs, but thus far we have not been forced to meet this.

MID-ATLANTIC

U.S.G. is now selling direct to gypsum drywall applicators for delivery at a rail siding or to the applicator's warehouse at current list less 5% - 3% - 5%. Despite a few rumors, there have been no job site deliveries -- so far!

026437

DI(G-P)-316

SOUTHEASTERN

We found ourselves having serious difficulties getting sufficient volume for full operation of the Brunswick Plant during the past week, and we gave Doug MacFarland authority to seek blocks of orders (equivalent to 10 cars or more) for immediate shipment direct or into warehouse with an incentive up to $1.00 per MSF to the branch. The incentive may apply to certain items in the wallboard line or all of them except lath and sheathing. At this writing we have obtained the equivalent of 60 carloads which will alleviate some of the pressure.

SOUTHWEST

Prices are extremely soft and continue to deteriorate. The market generally is on the basis of the new list less four 5's, but there is no pattern. Oklahoma City and Tulsa, Oklahoma continue to be trouble spots though we do not seem to be able to find the bottom. Lafayette, Monroe, Shreveport, and San Antonio vie for the honors!

NORTHWEST

There appears to be a firmer tone in this region during the past week. For example, two Salt Lake City dealers told Ernie Reynolds that they had rumors from competitive salesman that they should expect the price increase January 1, 1969. They indicated the price might be $42.65 less 5% cash discount on 1/2" Board, whereas the price today is $44.00 less 5 and 5, and 5% cash discount. But, of course, there is the added comment by one dealer who said that one of his drywall applicators had told him he had price protection beyond January 1.

DI(S-P)-318

Mr. K. A. McCaskill -3- October 25, 1968

WESTERN

As you know, Blue Diamond Division of Flintkote Company announced a price increase effective January 1, 1969, in Southern California. There have been rumors, but Ken Wertz has not been able to pick up any announcement of similar action in Northern California.

We are studying the situation and have received recommendations from Bob Schmidt and Hans Umbreit that we should, sometime prior to November 1, announce an increase in California to be effective January 1, 1969, following to the degree that we believe reasonable the increase announced by Flintkote. We will discuss this further with you on Monday, October 28, and are prepared to make the mailing very quickly following approval to go ahead.

We were obliged to position the Phoenix Branch with a 3% reduction in their pink sheet prices on all items except 1/2" Sternewall, 1" Coreboard, and 3/8" and 1/2" Lath. Also, a $1.00 reduction beyond this 3% on such items as 1/2" Regular and 1/2" and 5/8" Firestop. This was necessary in order that the branch be able to meet the competition of National, J-M, Celotex, and U.S.G. as reported to us by Bob Schmidt.

A. L. M.

ALM/er

DI(S-P)-318

[illegible]

Date November 8, 1968

To Mr. K. A. McCaskill

Location Portland

From A. L. Mayer

Location Portland

Subject PRICES

Re: Week Ending November 8, 1968

[illegible] 318

GENERAL

Decentralization of authority allowing gypsum regional managers to position branches to meet competition or for procurement of blocks of orders when necessary to maintain desired production level is now in effect within specific limits of $2.00 per MSF. It is too soon to evaluate the benefits of this program, but we should have a good picture by the end of next week.

REGIONAL COMMENTS

SOUTHEASTERN

We have reports that Kaiser is soliciting business from small dealers in the Atlanta area at $47.50 less four 5's and 2% cash discount.

SOUTHWESTERN

Competitive prices on 1/2" Board are in the range of $35.00 to $38.00. There is no regular pattern as far as we can determine in the application of these prices.

In order to avoid further loss of position in the rural Kansas City market, we were obliged to reduce pink sheet prices for the Kansas City Branch on 3/8" and 1/2" Regular Board to be effective November 11. The new price will be $33.20 for 3/8" and $38.25 for 1/2" in truckloads or rail cars. This positions

(Southwestern)

the branch to meet the truck competition in the $36.00 range on 1/2" Board, but their profit will be only 5%.

LAKE CENTRAL

Three 5's off the new list is the general level with specific job deals beyond this.

WESTERN

Johns-Manville has mailed a notice to the trade announcing new reduced prices in the Colorado market and the withdrawal of all competitive discounts effective November 1.

According to Bob Schmidt, U.S.G. has verbally announced to the dealer trade in Southern California a reduction of 50 cents per MSF on 5/8" Type "X" and 1/2" Regular Board effective November 4th.

NORTHWEST

Ernie Reynolds has reported rumors from dealers in the Seattle market that National Gypsum is preparing to announce a price increase effective January 1, 1969. Details were not given except to the extent that the new price on 1/2" might be $48.21 less 5% cash discount but no other trade discount. If this proves to be the case, it will represent an increase of about 5% over the current list less trade discounts now in the marketplace.

A. L. M.

ALM/er

026421

DX(S-P)-321

EXHIBIT
S-P 321

CPRW PORT

S P DISTAFFR

4-9-68 10:10 A.M. MR. K. A. MCCASKILL FROM R D WERTZ OF BERKELEY

SUBJECT: WEEKLY MARKET LETTER
WEEK ENDING APRIL 4TH, 1968

CC: MR.P. C. SCHMIDT - PICO RIVERA

SHIPMENTS: 1,373,000 FROM SIGURD PLANT

MARKET ACTIVITY: SEVERAL OF OUR AREAS ARE NOW GOING AHEAD WITH CONSTRUCTION AND SHOULD BE READY FOR GYPSUM PRODUCTS WITHIN THE NEXT FEWWEEKS. HOME SALES IN THE AREA SEEN TO BE HOLDING STRONG EVEN THOUGH WE DO HAVE HIGH COST OF FINANCING. THIS MAKES THE PICTURE LOOK QUITE BRIGHT.

COMPETITIVE CONDITIONS: WE HAD ANOTHER NEW LOW HIT THE MARKET THIS PAST WEEK. KAISER AND NATIONAL BOTH COMING OUT WITH A LOW PRICEOF $49.00 FOR 1/2" VALIBOARD EITHER BY RAIL OR BY TRUCKLOAD QUANTITIES TO BOTH DEALERS AND CONTRACTORS. THEREIN ALSO SOME INSTANCES WHERE THE MANUFACTURER'S ARE GIVING THE 5% CASH DISCOUNT UNDER REGULAR TERMS OF 10TH PROX, RATHER THAN 15 DAYS.

CC24
DOCUMENT NO. 5
N.S.C. - 8/1/78

03(6-P)-321

WEATHER: THE WEEK STARTED OUT WITH HEAVY RAIN MONDAY, BUT THE BALANCE OF THE WEEK WE HAVE HAD A NICE BREEZE ALONG WITH SUNNY AFTERNOONS.

QUALITY AND SERVICE: KINGSPORT PLANT SEEMS TO BE STARTING TO RUN A LITTLE BETTER AS WE HAVE PICKED UP IN SHIPMENTS AND I BELIEVE THAT THEY ARE SUPPLYING OTHER AREAS WITH PRODUCTS. WE HAVE HAD TO WAIT TWO DAYS FOR SHIPMENTS. WE ARE GETTING COMPLAINTS FROM THE WORKMEN IN THE FIELD THAT OUR BOARD WORKS HARD IN THAT IT IS DIFFICULT TO CUT THE BOARD BECAUSE OF THE EXTRA HEAVY BACK PAPER. THIS CONDITION HAS

BEEN BE

PORTED TO THE PLANT AND THEY ARE CHECKING INTO IT.

BRANCH ACTIVITY: THE BRANCHES ARE MEETING THE NEW COMPETITIVE SITUATION HEAD-ON EVEN THOUGH IT DOES TIGHTEN DOWN THEIR PROFITS TO A NARROW MARGIN. THEY ARE MEETING THIS COMPETITION MAINLY WITH THEIR EXISTING CUSTOMERS SO THAT THEY WILL NOT LOSE THEIR MARKET PLACE.

BA OF END

TU ENDM

DOCUMENT NO. 10045

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: June 14, 1968

TO: Mr. R. A. Rowell

LOCATION: Portland

FROM: L. H. Kanoy

LOCATION: Charlotte

SUBJECT: Weekly Market Letter - Week Ending June 13, 1968

EXHIBIT G-P 337

The total Gypsum market has strengthened itself in the amount of shipments that have been made, and we will be above standard for this week. The competitive plants in our region are shipping more material than what they have in the past and we are about maintaining our position.

Flintkote has been offering trucks at the carload price, less 5% cash discount and 5% commodity discount and they are setting competitive practices in the area. U.S.G. has gone to several dealers and agreed to a terms deviation for shipments between the 1st and the 31st of the month, would be due for a discount of 5% the 30th of the following month. Three of our competitors had offered to loan an applicator up to $30,000 for a portion of his business. We are receiving numerous reports that our competition is out talking to the dealers, telling them they are going to do whatever is necessary to get the business. Competition is extremely keen and our competitors are hitting us from every possible angle with all the force they have. This is causing an extra burden on the phone calls and the running of this office, as it seems like our competitors are running behind us chopping down what we have started to grow.

Weather conditions the past week have been very poor in that we had heavy rains for the past two weeks and extra humidity until today, and a tornado which struck one block from my home.

The Brunswick plant is out of rail cars and all week long have been out of flat cars for shipment of Wallboard. We had to re-shuffle some cars in order to get a shipment out when needed and had to charge another one to two trucks in order to maintain the business. As of yesterday, the plant was sold out based on the rail cars they were expected to receive until Tuesday. Trucking service has been adequate. Quality of material from all plants remains adequate.

We had a sales meeting of the Branch managers of the Mid-Atlantic Region Tuesday and Wednesday in Charlotte in which we had a part of the program and find the tremendous attitude on the part

SEE TEXT ATTACHED

JUN 17 1968

of the managers to get the business and run it in complete harmony with the Gypsum Division. It was our pleasure to buy the dinner of the Branch managers on Tuesday evening. There were no problems of standing which could not be solved nor complaints on how the business has been handled.

There has been no increase in unusual competitive activity from the line yards.

L. H. K.

L.H.K.:ns

COPY ONLY

413

COPY ONLY

CONFIRM - A E SIMONSON FROM A PEYTO 6/17/68

UNDERSTAND YOU ARE NOT GETTING ADEQUATE SUPPLY FLAT CARS FOR DAILY SHIPS. PROBABLY COPY OF THIS OUT TO OPERATION SHORE. HOWEVER IMPORTANT THESE ORDERS NOT BE ALLOWED TO INTERFERE WITH SERVICE ON SPECIAL ORDERS INTO MID ATLANTIC REGION. IF ANY QUESTION PLS CALL ME.

013784

COPY MADE

FOR FILE

EXHIBIT
G-P 350

[illegible]

GA FOC ATL

R. A. [illegible], J. W. MACFARLANE

CC: S. S. [illegible] - ATLANTA

SUBJECT: WEEKLY REPORT LETTER [illegible]

SHIPMENTS: PRODUCTION 7,955

DEBITS 3,317

EOWP 304

SHIPMENTS WOULD HAVE BEEN BETTER HAD PLANT SUFFICIENT CAPACITY

MATERIAL TO SHIP BY FRI. 6 MAY. 11/29 AND 11/30 ARE NOT DUE [illegible].

PRODUCTION FIGURE GOOD BY 12/31

MARKET CONDITIONS: CONSTRUCTION CONDITIONS AT HIGH PACE IN ATL

AREA. INDUSTRIAL PLASTIC SALES ABOUT AVERAGE.

COMPETITIVE CONDITIONS: PRICES CONTINUE TO CHANGE EVERY DAY IN ATL.

NATIONAL MOV AT 9-9'S PLUS 1.00 OFF LIST WITH 8 & 10 DAY DISC[illegible]

IN SOUTHERN GEORGIA.

KAISER SALESMAN IN TAMPA AREA HAS STATED THEY WILL NOT [illegible]

CASH DISCOUNT JAN. 1 -

INDUSTRIAL PLASTIC PRICES STEADY.

STAMPS - SOME PAID AND COOL.

SERVICE AND QUALITY - GOOD.

[illegible] ACTIVITY - [illegible] SOV TO NORTH.

INDUSTRIAL SALES ACTIVITY: PAYCOCK & WILCOX HAVE POSSIBLE NO [illegible]

BUSINESS AMOUNTING TO $250,000 PLUS $50,000 DUE IN FORTY 8 [illegible]

DEPOSIT.

CA OR END

TU EVEN

DI(S-P)-381

June 17, 1968

Mr. E. A. McCaskill — Portland

W. H. Hunt — Portland

EXHIBIT
G-P 381

Gypsum Division versus
Gypsum Industry -- April

In analyzing the April comparative reports, I noticed that we did 15.1% of the industry as wallboard compared to 17.3% a year ago. For the whole year, 1968, we did 15.8%; but for the year-to-date this year, it is 16.3%, which, of course, was accentuated downward by the poor month of April.

This pretty much ties into the flag sheet which we have been talking recently. I know that our activity in this field has caused our competitors to take other means of getting back some of the business we originally took away from them. We don't want this to happen. We are now geared to do this volume and want to continue not only holding our own, but moving ahead. I know you do not disagree with this. The main thing is to not let them get too much of our business, even if we have to take drastic steps to hang onto it. I hope that when the May figures come out, we shall have gained a little more in position.

If there is anything in the way of policy that you would like to do, which you feel you cannot do, let's talk about it. We want to run these plants just as full as we possibly can. It is true that our mill profits have been good. Of course, we have been running at pretty good capacity in most places. You know where the weak ones are, and I am sure you will take steps to get them all into high gear.

W. H. H.

WHH:ef

[illegible]

DI(6-P)-383

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 20, 1968

TO Mr. W. H. Hunt

LOCATION Portland

FROM R. A. McCaskill

LOCATION Portland

JUN 24

SUBJECT GYPSUM DIVISION versus GYPSUM INDUSTRY -- APRIL

EXHIBIT G-P 383

We are taking some drastic but I think sound steps of various kinds to sustain our momentum - a few of the methods are shown on the attached. And I'm in full accord with running the plants full so we'll do everything that can be thought of to do so on a sustained basis.

It requires some rather subtle methods to continuously generate more volume when so much of our volume, 74%, goes directly into the marketplace to dealers. Every move of ours is more often than not magnified by the multiple reaction of competition, then used as justification or whatever you call it, and spreads way beyond the spot where it started. With a standard now of 1.5 billion feet each dollar price loss costs us $1.5 million dollars, and it usually drops off in 5% increments, or $2.00. This worries me as you know, and the best way to cope with it as I've pointed out before is to move more and more through Branch stocks.

For when this happens our moves in the marketplace on direct shipments are much better disguised and more difficult for the competition to ascertain. Mostly because the Branch, with the expanded involvement as well as back-up stocks, becomes more adept at capitalizing on his basic advantage. Thus a more skillful chiseler. Our men who help them sell it also gain in this expertise.

One of the best examples of this is indicated on the attached exhibits - the one marked "D" - Operation "Hot Summer" for the Atlanta and Albany, Georgia Branches. Both stock and both sell a good amount of their volume directly as well as through the warehouse. In other words, one method supports the other and when they feed on each other this way the volume increasingly moves with less likelihood of adverse market price effect. This has been generally the case everywhere except California which has been a world of its own. Stocking is almost our only answer there, however.

DI(6-P)-383

Mr. W. H. Hunt - 2 - June 20, 1968

When Harold returns I intend to get with him and try to put together some means of getting the Branches not stocking, or only nominally stocking, more involved. For example, very few of the Lake Central and Mid Atlantic ones stock at all - mostly because they don't have room. I feel we must figure out a way to change this - there and elsewhere - and if we do both volume and profits will benefit.

I'm giving you and Harold this lengthy message and its exhibits for I hope it will convince both of you that we are on the right track, and can continue with greater success if we follow more universally what has proven so successful in certain areas thus far.

The exhibits illustrate a few of the various programs or moves being made, either to pick up sales or reduce inventory from plants, or both.

Exhibit A - Lovell Bonus
" B - Midwest Ryan Bulletin
" C - Chicago Blitz
" D - Atlanta & Albany Operation "Hot Summer". A months extension of a similar program for most other Southeast Region Branches.

RAR/mf

CC: Mr. H. E. Sand - Portland

Harold: - a copy of Bill's memo to me is attached to provide perspective for you.

BX(6-P)-383

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 17, 1968

TO Mr. E. G. Reynolds

LOCATION Seattle, Wash. - Gypsum

FROM A. L. Meyer

LOCATION Portland

SUBJECT LOVELL BONUS PROGRAM

Enclosed is a copy of the subject program which we believe you will find in line with our telephone conversation with you last Friday afternoon.

We leave it to you to convey this program to the individual branches involved in whatever manner you think best.

You will have to maintain a record in your office of the cars shipped under this program so that you can advise us at the end of each month with respect to the bonuses to be paid.

A. L. Meyer

ALM:cr
enc.
cc: Mr. R. A. McCaskill - Portland
Mr. Al Wright - Seattle, Wash. DC

Exhibit A.

0531/1

BX(6-P)-383

GYPSUM DIVISION

June 14, 1968

LOVELL BONUS PROGRAM

Purpose: To provide additional incentive for Branches in the Pacific Northwest Region to achieve greater sales volume of Gypsum Board Machine Products for the Lovell Plant during the period June 1 through December 31, 1968.

What is Needed:

A substantial increase in our percentage of the market potential in this Region. This will require a carefully planned approach to selected trade factors capable of providing the added volume under the counsel and guidance of E. G. Reynolds.

Program: The following program will be in effect June 1 through December 31, 1968:

1. Monthly Base: The monthly average number of cars (stock and directs) shipped into the Branch area during the first five months of 1968.

2. Total Base: The monthly base multiplied by 7.

3. Total Extra: The minimum number of extra cars which will be required during the bonus period.

4. Grand Total Requirements: This is the sum of #2 and #3 and is the minimum number of cars required in order to qualify for the additional bonus payments described in 5-(B) below.

0531/

DI(6-P)-383

Lovell Bonus Program — June 14, 1968

4. Cars: For the purposes of this program any rail carload shipment; also, two (2) truckloads of not less than 45,0000 each will be counted as one (1) carload in areas where our merchandising policy provides for truck shipments from the Lovell Plant.

5. Bonus:

(A) Each month a bonus credit of $25.00 will be given to the Branch by the Gypsum Division for each car shipped in excess of the monthly base.

(B) At the end of the bonus program (12/31/68) an additional bonus credit of $25.00 will be given for each extra car shipped during the bonus period provided the Branch has achieved the grand total requirement.

6. Branch Volume Requirements - Cars

Branch	Monthly Base	Total Base	Total Extra	Grand Total Requirement
Billings	3	21	14	35
Eugene	13	84	10	94
Great Falls	1	7	7	14
Pasco	5	35	16	51
Portland	20	140	46	186
Seattle	50	350	38	388
Spokane	4	28	14	42
Tacoma	20	140	30	170
Total Cars	115	805	175	980
Tons (x25)	5,175.	36,225	7,875	44,100

05311

DI(6-P)-383

June 13, 1968

TO: MANAGERS - MIDWEST REGION

FROM: T. F. RYAN

SUBJECT: INCREASED GYPSUM VOLUME
JUNE - JULY - AUGUST

At the end of May, we find that our sales performance on Board Products is running a good 10% below Standard and if we are going to reverse this trend during the above three months, it will require an average increase of from 30% to 35% of your current monthly volume during this period.

Now that you have been positioned competitively, it should not be too great a task to develop this additional volume and I might also remind you that top management is well aware of the situation as it applies to each of you and all I can suggest at this time is that you redouble your efforts in the field and get some, order available.

It certainly would be a feather in each of our caps if we succeed in reversing the trend in this period and find ourself once again on Standard by the end of August.

TFR/ao
CC: Messrs: H. E. Bard
E. A. McCorkill
John Gentle

NOTICE: Please keep us informed of any unusual competitive situations that may develop in your market - we think you now have the tools to go out and get this additional volume, but if you don't, let us know at once.

6/19 Bill: Here is another example + I have not got Uncle Tom into the act for the first time on a very important basis but I am telling him in advance/K

Exhibit 8

05311

DX(S-P)-383

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 4, 1968

TO W. J. Heintzeger — LOCATION Franklin Park

FROM J. E. Gentes — LOCATION Midwest Region

SUBJECT GYPSUM BLITZ - CHICAGO NORTH AND SOUTH

Bill, the following are suggestions that you should consider in connection with the forthcoming Gypsum Blitz.

1. Objective - Gypsum sales to independent lumber dealers being serviced by outside branch salesmen.
2. Prior to blitz, branch salesmen should prepare comprehensive lists of dealer accounts currently stocking gypsum.
3. During blitz outside salesmen should plan normal call pattern; however, concentrating on prime gypsum prospects. Objective should be at least ten calls per day.
4. Gypsum specialists should rotate traveling with a different branch representative each day.
5. Adequate literature and samples should be available during blitz.
6. Prior to blitz we should have a 1½ hour kick-off meeting. This meeting would cover blitz objectives reviewing pricing structure, samples, merchandising policy, product knowledge, etc.
7. I recommend that you establish a special incentive program for your outside and inside salesmen during blitz. The duration of the special incentive naturally would be up to the branch managers; however, to sustain the momentum created, I would recommend the program would run for at least 30-60 days.
8. Sternewall should be featured extensively.
9. Joint System is another item which could be concentrated on during the blitz especially in connection with our new Chicago Joint System Plant.
10. I believe a competitive spirit during the blitz is very vital. This can be stimulated by establishing recognition awards voted on by the gypsum specialists and vice versa.
11. Blitz should be for a duration of five days commencing 8 A. M. Monday and concluding Friday evening. An awards presentation could be held Friday.
12. Both direct and out of warehouse sales, delivered and picked up should be emphasized.
13. Branches should have adequate inventories and appropriate pricing information should be readily available.
14. A brief critique meeting should be held Monday and Tuesday evenings to clear up any overlooked aspects.

Bill, the above is just a brief outline to get the ball rolling. As soon as possible, I would like to get together with you to program this blitz out further and clear up any questions and details. Thank you.

JEG:rmb

cc: A. E. Keenan - Chicago North
J. E. Sloff - Chicago

bcc R.H. McCormick Thanks C
L.W. L.K.B.

6/19 & Harry Griffin
053170
Lead him in Pittsburg
& Detroit - Always a way in
Upstate N.Y. New York, Legg
Mason & Pat. D. New England —

DX(S-P)-383

GEORGIA-PACIFIC

MESSAGE MEMORANDUM

TO BOB STARLING — DATE 6/28/68

DISTR.DIV. ATLANTA GEORGIA — ☒ TWX ☐ PAU

FROM K A McCASKILL — ☐ DAY LETTER ☐ NIGHT LETT

CC: E E DUNLAP, DISTR.DIV. ATLANTA GEORGIA

HERE IS PROPOSAL FOR OPERATION "HOT SUMMER" WHICH WOULD BE THE SPECIAL JULY PROGRAM FOR YOUR BRANCH ONLY, AND APPLY ON SHIPMENTS DURING THAT MONTH ONLY. THE CHOICES ARE IDENTIFIED AS B AND O AND T. CHOOSE ONE ONLY PLEASE.

CHOICE "B". BASE 20 CARS - HOT SUMMER BONUS 50 CARS WITH TOTAL OF 70 AND $1.00 BONUS APPLYING ON 50.

CHOICE "O". BASE 20 CARS - HOT SUMMER BONUS 60 CARS WITH TOTAL OF 80 AND $1.50 BONUS APPLYING ON 60.

CHOICE "T" BASE 20 CARS - HOT SUMMER BONUS 70 CARS WITH TOTAL OF 90 AND $2.00 BONUS APPLYING ON 70.

PLEASE ADVISE AL MYER WHICH OF THESE IF ANY YOU WISH TO CHOOSE. IT IS MOST IMPORTANT BOB THAT WE NOT CONTRIBUTE TO FURTHER PRICE EROSION AND YOU'LL AGREE METHOD OF SPREADING THIS TO MANY SMALL DEALERS COVERING A GOOD SIZED AREA IS MOST CONSTRUCTIVE. I TRUST THAT YOU CAN CONTINUE ON THIS BASIS.

Typed CC: Mr. A. L. Meyer This is a Starting Program only
A's Directs —

Explain Dlrs

P.S. Bob selected "T" - naturally -
Ken

053170

DI(G-P)-383

GEORGIA-PACIFIC

MESSAGE MEMORANDUM

TO: LUKE SHELTON - DIETZ DIV.
ALBANY GEORGIA

DATE: 6/20/68

☒ TWX ☐ FAX
☐ DAY LETTER ☐ NIGHT LETTER

FROM: E A MCCASKILL

CC: E E DEMERSON - DIETZ DIV., ATLANTA GEORGIA

HERE IS PROPOSAL FOR OPERATION "HOT SUMMER" WHICH WOULD BE THE SPECIAL SELL PROGRAM FOR YOUR BRANCH ONLY, AND APPLY ON SHIPMENTS DURING THAT MONTH ONLY. THE CHOICES ARE IDENTIFIED AS B AND C AND T. CHOOSE ONE ONLY PLEASE.

CHOICE "B". BASE 4 CARLOADS, HOT SUMMER BONUS 7 CARLOADS WITH TOTAL OF 11 CARLOADS, $1.00 BONUS ON THE 7 CARLOADS.

CHOICE "C". BASE 4 CARLOADS, HOT SUMMER BONUS 10 CARLOADS WITH TOTAL OF 14 CARLOADS AND $1.50 BONUS ON THE 10 CARLOADS.

CHOICE "T". BASE 4 CARLOADS, HOT SUMMER BONUS OF 16 CARLOADS WITH TOTAL OF 20 CARLOADS AND $2.00 BONUS ON THE 16 CARLOADS.

PLEASE ADVISE AL MEYER WHICH OF THESE IF ANY YOU WISH TO CHOOSE. IT IS MOST IMPORTANT LUKE THAT WE NOT CONTRIBUTE TO FURTHER PRICE EROSION AND YOUR PRESENT METHOD OF SPREADING THIS TO MANY SMALL DEALERS COVERING A GOOD SIZED AREA IS MOST CONSTRUCTIVE. I TRUST THAT YOU CAN CONFIDENT ON THIS BASIS.

This is for stocking program only, for N O sales.

CC: MR. A. L. MEYER

Exhibit G (1)

6/21 Luke called + also —

Ken

USG1c4

DI(G-P)-385

June 17, 1968

Mr. E. A. McCaskill — Portland

W. E. Hunt — Portland

EXHIBIT G-P 125

Gypsum Division versus
Gypsum Industry -- ANII

Thanks for your letter of June 20. This covered the subject quite completely, and it is interesting to note some of the things, which are being done to increase our sales.

Price reduction is a thing which no one likes. This is particularly true when the total volume is so large, as you pointed out. However, the most important thing is to run the plants full. I had a talk about this with Glenn the other day. No doubt, he and you are working together to see just what we can do to insure this type of action. We have plenty of distribution and sales people to do the job, and if we are competitive, while at the same time being sufficiently aggressive -- which I know we are -- then our market penetration should again start on its way upward, whereas in recent months it has been going in the other direction.

We must certainly be alert to getting as much money as we can, but we can lose more by not operating the plants full than we can make by holding out too long in face of a competitive situation about which we can do nothing. Another thing is momentum. We want to establish and keep a high sales in production momentum as a means of at least a partial protection in times of real adversity.

This is all old music to you, I know, but I do want to again impress everyone with the importance of running those mills around the clock, mindful of the fact that in so doing we cannot expect to get any more money than will be allowed by our competitors.

W. E. H.

WEH:ef

cc: Mr. G. E. Wilson
Mr. E. E. Ford

USG1c5

DX(G-P)-401

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE July 13, 1960

TO Mr. Glenn Wilson — LOCATION Portland

FROM W. E. Hunt — LOCATION Portland

SUBJECT Growth Profits for June

EXHIBIT G-P 401

First of all, let me express appreciation for the time you have taken to give us such a complete analysis of the reasons for our sharp drop in profits. To tell you the truth, I am surprised that profits did not slide quicker. Prices have been erratic and, for several months now, our volume has not been up to where it should be. Harold, Alan and I have been into this in depth as have you and Alan. I think everyone understands that the fastest way we can lose profit is to run at less than full capacity. Your report is a graphic illustration of this very point, and our sales departments are going to do everything they know how to do to prevent recurrence of this nature in the future.

We still have a lot of time to make an outstanding year out of 1960. It is certain that the cooperation which is being exhibited and also the recognition of how we can do this is going to insure such a result.

W. E. H.

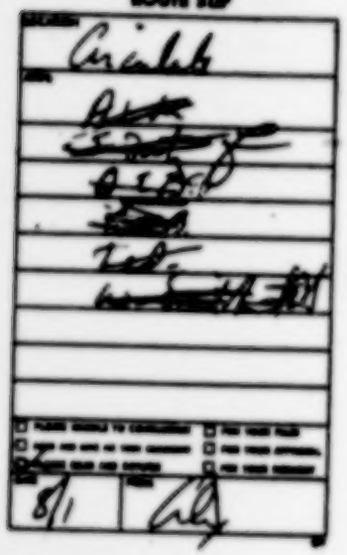
WEH/ed

cc: Messrs. T. S. Hunt
E. A. McDonald III

015875 JUL 18 1960

DX(G-P)-401

GEORGIA-PACIFIC
ROUTE SLIP



DX(S-P)-403

October 16, 1962

Mr. W. E. Hunt — Portland

E. E. Pamplin — Portland

Gypsum Sales

I notice our sales of gypsum board are not coming up to our productive capacity and we are cutting back production. This is bad. If we cannot sell our production now, we certainly won't be able to do it this winter.

I wish you would check into this.

EXHIBIT G-P 703

E. E. P.

EEPigrt

055633

DX(S-P)-403

GYPSUM DIVISION

PREPARED BY MFG. DEPT.

WEEKLY PLANT SHIPMENTS

TO: W. E. HUNT
E. E. PAMPLIN
G. E. WILSON
E. A. MC CARTELL
R. L. FOSTER
T. C. MC LAUGHLIN

DATE: Oct 14 1962

WEEK ENDING	CAP. M SQ		CURRENT MONTH SHIPMENTS			EXPECTED OPERATIONS NEXT WEEK	
			Last Week	Last Year	Oct To Date		
ACME		QTY	2191	2267	8415	6 3/3	DAYS
"		Sq	167	742	2825		
ADRIAN	2.1	QTY	1463	1734	5556	6	"
"		Sq	110	836	2416		
BLUE RAPIDS	1.6	QTY	1639	1837	5997	7	"
" "		Sq	-	-	-		
FORT DODGE	4.4	QTY	3749	3781	9866	7	"
" "		Sq	487	1941	3994		
GRAND RAPIDS	2.8	QTY	2154	1631	5487	7	"
" "		Sq	447	1856	4918		
HIGURD	4.8	QTY	3271	3419	8334	6	"
"		Sq	71	1134	476		
HUMBOLDT	3.8	QTY	2018	3818	6750	7	"
"		Sq	367	1997	4846		
NEW ORLEANS WHSE.		QTY	-	99	-	-	"
" " "		Sq	-	67	-		
WILMINGTON	3.3	QTY	2014	1854	5317	6 3/3	"
"		Sq	311	111	1921		
BOSTON WHSE.		QTY	-	63	-		
LOWELL	1.3	QTY	1224	-	3744	5	"
"		Sq	42	-	92		
E. HARTFORD WHSE.		QTY	994	-	994		
TOTAL		QTY	20,000	20,000	57,000		
TOTAL		Sq	1,000	1,000	3,000		
GRAND TOTAL	39.1M		21,000	21,000	60,000		

WEEK ENDING Oct 13, 1962 — QTY 1.9 Sq 42 Dunbar — WEEK ENDING Oct 7 1962 — Dunbar

WEEK ENDING Oct 10, 1962 — QTY 94 Sq 2.2 Dunbar — WEEK ENDING Oct 14 1962 — Dunbar

SHIPMENTS Oct 1-10 1962 — QTY 35000 Sq 4000 — SHIPMENTS Oct 1-14 1962 — TOTAL 39,000

Oct 1910 — NORTHERN DISTRICTS 13,513 N. 1961 — TO DATE. — Vaught — RECEIVED Sept.

055634

DX(S-P)-403

DISTRIBUTION DIVISION SHIPMENTS

BOARD & LATH

WEEK ENDING	10/10/42	10/17/42	Oct. To Date
ATOM	2852 M	3749 M	9269 M
AUBURN	1973	1361	5556
BLUE RAPIDS	1453	1842	5732
FORT DODGE	2914	1913	4966
GRAND RAPIDS	2946	619	2975
SIGURD	2727	3343	7334
BRUNSWICK	4407	1618	6736
NEW ORLEANS VNEER.	—	99	—
WILMINGTON	2394	634	3887
HOUSTON VNEER.	—	69	—
LOVELL	1955	—	2738
E. HARTFORD VNEER.	2998	—	2998
TOTAL	22115 M	15930 M	54217 M

WEEK ENDING Oct 10 1942 Oct 3 Shipped. WEEK ENDING Oct. 3. 1942

WEEK ENDING Oct 10 1942 Oct 3 Shipped WEEK ENDING Oct 3. 1942

TOTAL SHIPMENTS Oct 1-10 1942 54217

TOTAL SHIPMENTS Oct 1-17 1942 70000 M

Oct ___ BUDGETED SHIPMENTS _____ M, _____ TO DO.

___ ___ M _____ BUDGET _____ TO DATE.

SHIPMENTS BY ROOM-CANVILLE*

	WEEK	MONTH	TO DATE
Signed			2267 M
Acme			
Redmond	71	73	1991
Total	71	73	4258 M

TEXAS CYPRESS SHIPMENTS

	WEEK	MONTH	TO DATE
B. Rapids	—	—	1254 M
F. Rudge			2674
C. Rapids	94	394	1734
Brunswick	116	176	333
Total	210 M	570 M	6111 M

* Not included in other shipments.

055635

DX(S-P)-404

October 18, 1942

Mr. E. A. McCaskill — Portland

W. B. Hunt — Portland

EXHIBIT G-P 404

Our sales are not keeping pace with production and this worries us because of the time of the year which is approaching. If we cannot sell more than we are producing now, I doubt very much that we would be able to run our plants full in the wintertime, despite the storage space which we have developed.

The August Industry Comparisons have just arrived and, again, I must emphasize that these figures lead us to believe that we are being increasingly outsold. Why this is, I am not certain, but we must do something to reverse the situation quickly, or we are all going to be in trouble.

Looking at the Year-to-Date figures through August, our penetration in both is down from 13.8% of the industry in 1937 to 12.9% in 1940. Further than that, during the month of August, we were down to 11.9%. Likewise, on the all-important item of wallboard, we are down from 16.4% to 13.4%. What is even more serious is the fact that we are down to 16.4% during the month of August. Something is even worse, although maybe this is by design. At any rate, just to refresh your memory, we are off from 21% in 1937 to 17.8% in 1940 and down to 16.9% during the month of August.

The only thing that I can think of that is causing this is either our inability or our unwillingness to time our competitive moves in a manner necessary to keep or improve our position in the market. We talked about this back in June, and I thought we were taking steps to correct it. These August figures do not reveal that we have made much progress in this regard. Therefore, I urge you and Harold to quickly and drastically take whatever steps are necessary to reverse this trend.

W. B. H.

WBH:dZ

cc: Mr. H. L. Hood
Mr. G. E. Wilson

053120

DI(S-P)-404

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 14, 1960

TO Mr. G. E. Wilson
Mr. E. A. McCaskill

LOCATION Portland

FROM E. L. Foster

LOCATION Portland

SUBJECT Gypsum Division versus Gypsum Industry

Attached is an analysis of Gypsum Division and Gypsum Industry shipments through August, 1960.

E. L. F.

ELFjpcj

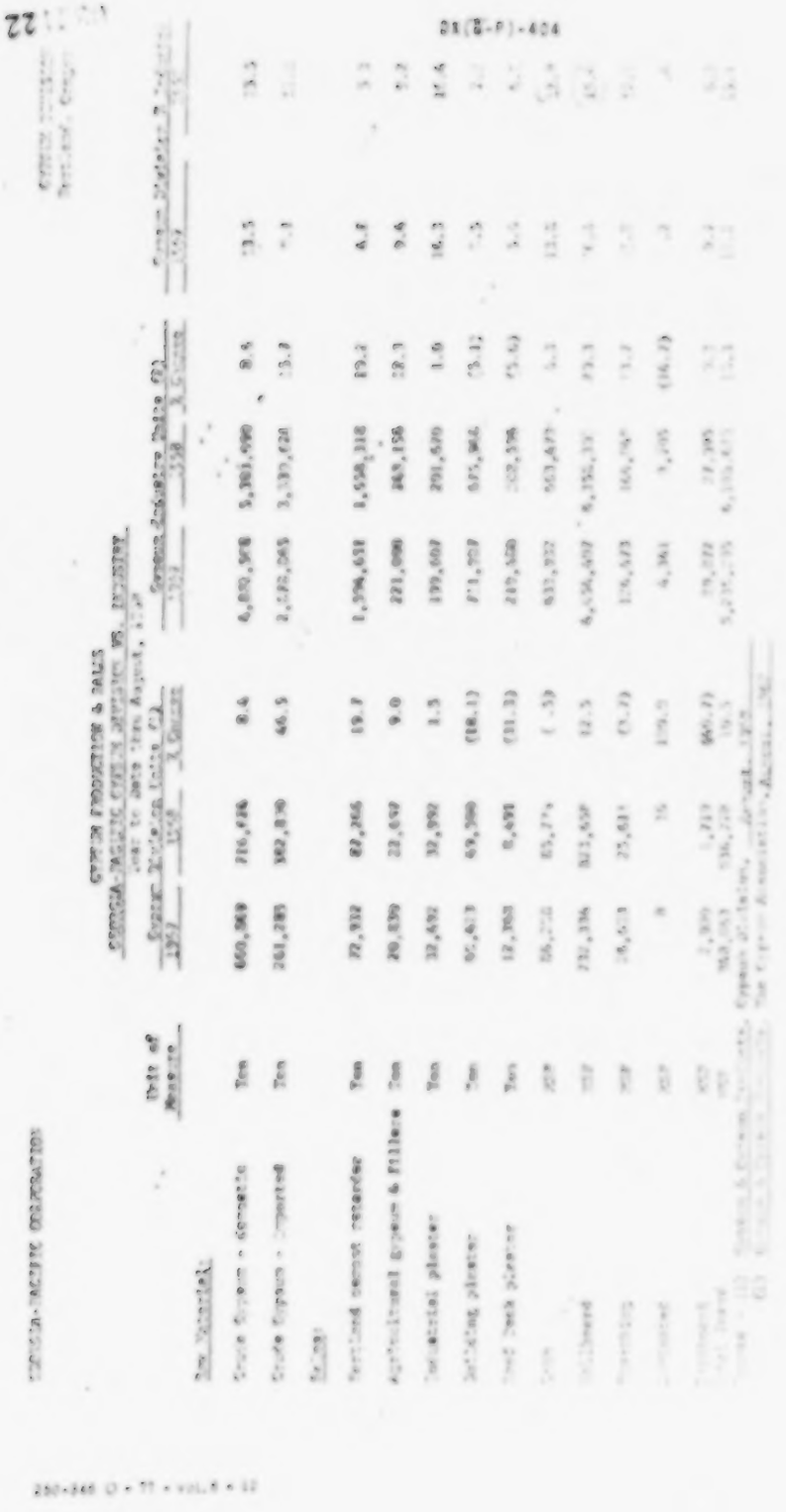
Attachment

cc: Mr. V. E. Rose
Mr. A. L. Myers
Mr. D. F. Blankenhorn
Mr. G. D. Rettinger
Mr. E. A. Norquist
Mr. O. E. Reese
Mr. V. C. Smith

COPY

053121

DI(S-P)-404



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GEORGIA-PACIFIC CORPORATION

Gypsum Division
Portland, Oregon

GYPSUM PRODUCTION & SALES
GEORGIA-PACIFIC GYPSUM DIVISION VS. INDUSTRY
Month of August, 1962

	Unit of Measure	Gypsum Division Data (1) 1962	1961	% Change	Gypsum Industry Data (2) 1962	1961	% Change	Gypsum Division % Industry 1962	1961
Raw Materials:									
Crude Gypsum - domestic	Ton	93,934	91,860	(2.2)	773,807	750,294	(3.1)	8.1	12.2
Crude Gypsum - imported	Ton	38,339	49,577	22.6	499,759	508,885	1.8	7.7	9.7
Sales:									
Portland cement retarder	Ton	11,681	8,656	(25.8)	250,319	235,000	(6.5)	4.6	3.7
Agricultural gypsum & fillers	Ton	587	1,785	207.0	13,823	11,993	(15.3)	4.4	14.9
Industrial plaster	Ton	4,304	4,489	4.2	24,917	25,683	2.9	17.3	17.5
Building plaster	Ton	6,039	2,882	46.6	83,368	105,236	20.2	6.9	2.7
Roof Deck plaster	Ton	1,479	1,051	(28.9)	31,285	29,282	(6.2)	4.7	3.6
Lath	MSY	13,349	10,967	(17.8)	93,565	92,529	(1.4)	13.7	11.9
Wallboard	MSF	115,191	109,723	(4.7)	690,594	763,651	11.3	16.6	14.4
Sheathing	MSF	5,363	3,696	(31.5)	27,269	21,308	(.3)	19.6	17.3
Insulboard	MSF	-	-	-	433	635	47.6	-	-
Perlboard	MSF	346	362	(30.1)	3,953	3,775	(5.8)	8.7	9.6
Total Board	MSF	134,149	124,546	(7.2)	818,714	881,372	7.9	16.4	14.1

Source - (1) Gypsum & Gypsum Products, Gypsum Division, August, 1962
(2) Gypsum & Gypsum Products, The Gypsum Association, August, 1962

DX(G-P)-404

3110

GEORGIA-PACIFIC CORPORATION

GYPSUM DIVISION
Portland, Oregon

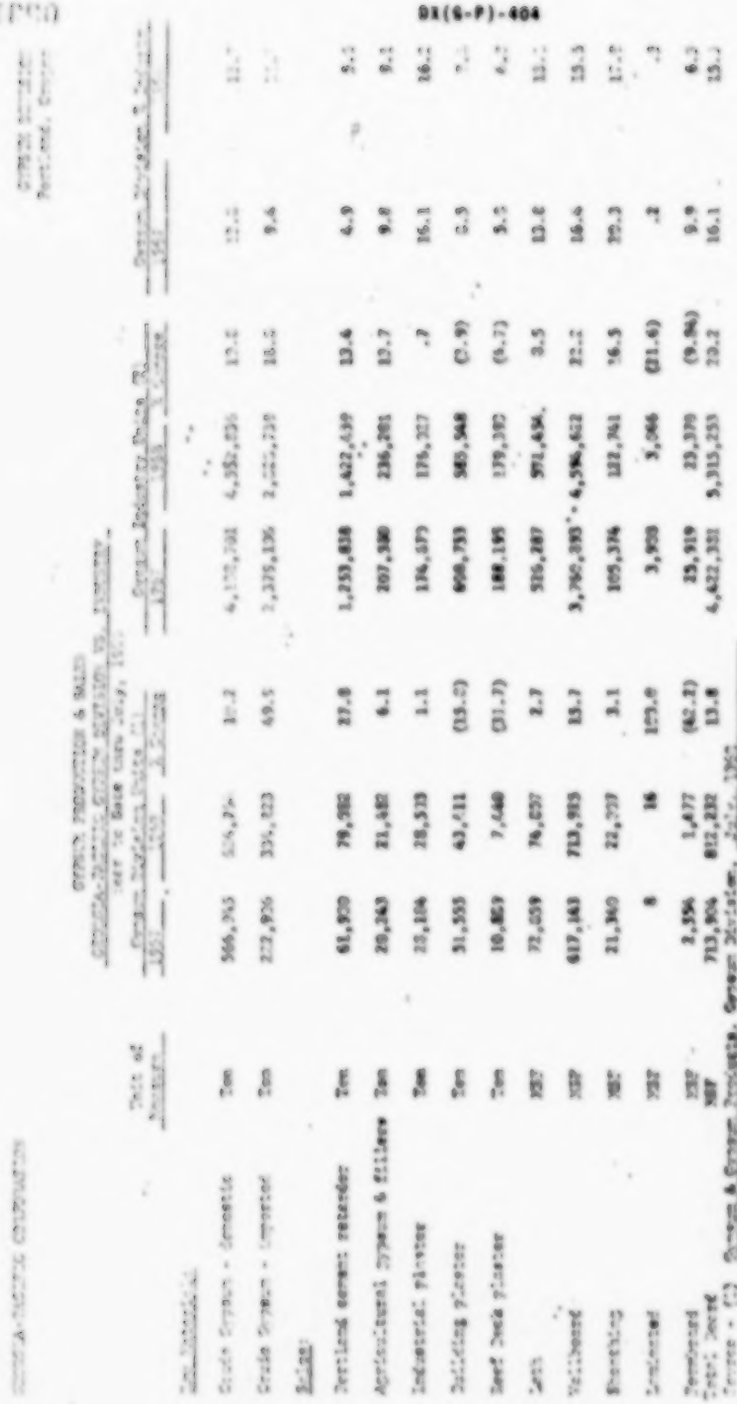
GYPSUM PRODUCTION & SALES
GEORGIA-PACIFIC GYPSUM DIVISION VS. INDUSTRY
7 Mos. Ended July, 1962

	Unit of Measure	Gypsum Division Data (1) 1962	1961	% Change	Gypsum Industry Data (2) 1962	1961	% Change	Gypsum Division % Industry 1962	1961
Raw Materials:									
Crude Gypsum - domestic	Ton	77,915	97,470	25.2	647,883	725,232	11.9	12.0	13.5
Crude Gypsum - imported	Ton	69,858	119,790	41.9	397,259	550,845	27.9	17.1	21.7
Sales:									
Portland cement retarder	Ton	11,396	10,173	(12.3)	245,532	254,344	3.6	4.7	4.0
Agricultural gypsum & fillers	Ton	739	1,234	51.4	25,803	33,805	(5.6)	2.6	3.7
Industrial plaster	Ton	3,536	3,609	2.1	21,987	24,962	13.9	16.1	14.5
Building plaster	Ton	7,459	6,733	(9.1)	90,971	89,879	(1.2)	8.1	7.5
Roof Deck plaster	Ton	2,579	1,021	(90.1)	32,845	27,727	(15.6)	7.8	3.6
Lath	MSY	11,894	11,727	(1.4)	85,394	96,888	12.9	13.9	12.2
Wallboard	MSF	98,998	110,394	22.9	582,854	775,459	33.9	16.5	15.3
Sheathing	MSF	4,696	3,246	(38.3)	17,876	20,974	17.3	26.1	15.3
Insulboard	MSF	-	-	-	392	577	47.2	-	-
Perlboard	MSF	259	85	(753.3)	3,729	3,479	(4.5)	9.0	2.4
Total Board	MSF	113,191	133,480	17.9	692,186	896,483	29.9	16.4	14.3

Source - (1) Gypsum & Gypsum Products, Gypsum Division, July, 1962
(2) Gypsum & Gypsum Products, The Gypsum Association, July, 1962

DX(G-P)-404

3111



DX(G-P)405

CONFIDENTIAL

October 21, 1948

Mr. H R. Sand — Portland

H. A. McCaskill — Portland

GYPSUM DIVISION VS. GYPSUM INDUSTRY

EXHIBIT G-P 405

Harold, Gene is going to review this with Ken but I thought it would be interesting for you to see also.

It reveals what we all have felt for past three or four months; we are steadily losing industry position from what we had gained over the past year or so.

KAM/hf
encl.

H.A.M.

bcc: Mr. O. R. Marsh - P3
Mr. A. L. Mayer - P3

DS(G-P)-406

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 23, 1968

TO Mr. H. B. Pamplin

LOCATION Portland

FROM V. H. Rue

LOCATION Portland

SUBJECT Gypsum Sales

EXHIBIT G-P 406

There is no argument. We are not doing the job that should be done. As a matter of fact, this has worried me and I have been checking it ever since last June. Immediately, upon my return home last Friday, it was checked again. This was done since the August figures showed further retrogression in our sales as far as their relationship to the total market is concerned.

The main reason for this retrogression is that we have been trying to get the high prices and our competitors have been outsmarting us, if that is what you want to call chiseling prices and methods of selling merchandise.

We will keep working on this because it is mandatory to do a better job, as you have suggested in your note.

V. H. R.

VHR:df

055632

DS(G-P)-411

CONFIDENTIAL

November 1, 1968

All Gypsum Div. Reg/Dist. Mgrs.

Portland

EXHIBIT G-P 411

K. A. McCaskill

GYPSUM PRICING POLICY

CC: Mr. H. B. Sand - Portland
Distribution Division Regional Managers

Let's face it. The price increase did not come about, and it is unlikely now that it will until things get somewhat rougher in the marketplace.

Since we did not raise our prices internally to the Branches we really should not have lost momentum, but the fact is that we did. The big reason, however, is that competition for some reason suddenly started to slug simultaneously with the price increase announcements. Result: it has hurt our market penetration.

I have, within the past two days, talked to each of you and outlined how we are to go about getting our sales back up to the level that we must have. Basically, it amounts to providing each of you with pricing authority to an extent that we can act quickly to protect ourselves; and further, to get plus business flowing again - from two directions.

Harold Sand has talked to each of his Regional Managers about gypsum sales problems, and his Portland staff is aggressively proceeding to establish some impetus toward the Branch Managers and Branch Salesmen totally accepting gypsum product sales responsibility. It is recognized that the gypsum specialists and/or former gypsum salesmen's efforts must be constantly augmented by the regular Branch sales force.

All of this adds up to two fundamental factors. First, and most important, we will unleash and sustain in earnest all the latent gypsum sales power of the Distribution Division. This naturally will be pointed to the more profitable day-to-day small dealer volume where credit is no great problem and where our volume destiny lies to a great extent. Secondly, we have established the means to expand the use of your individual judgments toward developing and expanding volume sales to the other trade factors who buy gypsum in substantial amounts; the skillful chiselers that we must deal with on a day-to-day basis for their favors.

Both price and the competition will no doubt suffer; however, we can only hope that the price will suffer to a minimum extent

014218

DX(S-P)-411

All Gyp.Div.Reg/Dist.Mgrs. - 2 - Gypsum Pricing Policy

based upon that judgment factor which you will apply with discretion. But let all of us remember that the plant operating at adequate levels is our prime responsibility.

Please continue to check daily with your plant(s) for as we have found recently, a one or two day order file when suddenly evaporated will leave the plant gasping for orders. It is a day-to-day condition that we must live with and I'm counting on each of you to stay on top of the situation to an extent that when orders are needed they can be produced on a sensible basis. I'm sure that the Distribution Division Regional Managers recognize this same responsibility and will give you their 100% cooperation and support with the Branches, with emphasis of course on the sustained solicitation from - and sales to - the lumber dealer trade, our real ace in the hole.

KAM/mf K.A.M.

DX(S-P)-414

EXHIBIT G-P 414

Portland, Oregon

March 10, 1969

[redacted]

To: All Gypsum Div.Reg./Dist.Mgrs.

Subject: [redacted] Bulletin 68-69

It seems that those of us in this end of the business constantly live at the foot of the Cross when it comes to pricing judgment. This, of course, is caused by the fact that in spite of increased demand there remains a supply and demand imbalance, and on top of this we have no reliable index which any manufacturer can depend upon so that a pricing level, on a given day or week, can be determined. The Trade has the industry in inverse position compared to past times and all of us know that the pressures from that direction are terrific.

However, overall demand has picked up substantially, and in the East, Southeast, Northeast, Lake Control and Midwest this factor alone should provide manufacturers, including ourselves, with plants there enough fortitude to get the depressed pricing levels turned around. In the Southwest, as has apparently happened in the West, economic pressure alone can accomplish the same thing but it just might be more painful due to an over abundance of supply and the large number of companies who service the area. This was indeed the case in California but it is turned around now and apparently firmly.

Our position and policy remains that we are going to run our plants full, no matter what. This is sound and basic, but it does impose some pressures on those of us involved with pricing decisions when we really have no dependable way of determining a pricing basis. However, I feel that our system is becoming more sophisticated and efficient all the time.

And now to further challenge the skills of Doug, Louis, Bob and Roger is our problem of extremely low inventory levels at Brunswick, Grand Rapids and Wilmington. That is with the April demand likely to be unprecedented.

Very frankly - I feel that all of those fellows must promptly lay very careful plans to allocate, if necessary. The Plant Managers first should be consulted and then in turn the Distribution Division Regional Managers so that implementation can be orderly if it becomes necessary.

GI(G-P)-414

All Gypsum Div.Reg./Dist.Mgrs. Bulletin 66-69

For the others you must continue to wear the two hats as efficiently as possible and at the same time not lose market position or momentum. And the preparation and planning for these is just as necessary because the April demand spread over a lesser number of competitors will likely be just as formidable.

I believe we will find the competition a little wild-eyed and skittish but their top management must surely be dedicated to getting better prices. We of course feel the same way and with a favorable trend toward more use of our capabilities in the marketplace I hope that this kind of problem will not only provide us with the tools to get the job done, but the means to move up with market price increases in a sensible way. In this case let's work toward building the problem price to May 1st, as much as we can, rather than afterwards.

RAA/kf E. A. MacDONELL

CC: Mr. G. E. Wilson - Portland
Mr. R. C. Schmidt - Pine Bluff
Mr. E. P. Pate - Portland

bcc: Mr. A. L. Meyer - Portland
Mr. O. E. Burch - Portland
Mr. E. W. Guenther - Portland
Mr. E. E. Sand - Portland

GI(G-P)-448

EXHIBIT G-P 1492

'69 JULY 10 AM 11:52

GPSW PORT

Cleveland

GA PAC CLOVE

PTLD X A MACDONELL FPH WOOD REVEW 7/10/69

	AKRON	GRAND RAPIDS
BUDGET	500 M	1,805 M
SHIPPED	950 M	1,905 M
	+ 450 M	+ 97 M

PKT ACTIVITY - BUSINESS IS BETTER THIS WEEK. HEAVY SNOW IN MICHIGAN HAS HURT MICHIGAN BUSINESS SOME BUT OHIO IS GOING STRONG. BRANCHES SHIPPING FRM AKRON MILL ALL HAD A GOOD WEEK.

COMPETITION - PRICES ARE DROPPING. FORCED TO GO FOUR SE OFF REG PRICES WITH SEVERAL ACCOUNTS.

WEATHER - SNOW, COLD.

QUALITY - SOAPC HAS BEEN GOOD FOR BOTH MILLS.

SERVICE - GRAND RAPIDS MILL HAS NOT HAD PLASTER FOR 3 WKS. ORDERS ARE BEING LOST. WILMINGTON MILL IS OUT OF 3/8" AND FIRESTOP BOARD. 84 LAP ORDERS ARE HARD TO FILL BECAUSE OF THIS. Hollingsworth

GRAPCO ACTIVITY - NO CHANGES

DX(S-P)-448

LIFE YARDS - FORCED TO GO FOUR SX TO CASHWAY ON ALL YARDS. PRICES TO VOLUME PEOPLE ARE DROPPING TO $40 OR 1/2" IN MANY AREAS.

GA OR END

TU ENDN

9

CC: JOHN GOETZE IN FRANKLIN PARK AND R C MARTHAS IN WILMINGTON

END

OR ENDN

DX(S-P)-451

EXHIBIT G-P 451

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE February 14, 1969

TO Mr. E. A. [illegible]

LOCATION Portland

FROM E. P. Pate

LOCATION Portland

SUBJECT PRICES

Re: Week Ending February 14, 1969

cc: Mr. G. E. Wilson
Mr. A. L. Meyer
Mr. E. W. Guenther

GENERAL

The tempo picked up a little this week with requests to meet competitive situations. The changes made are covered under Regional Comments. Today our trade announcement was mailed to customers announcing our price increase effective May 1, 1969. This price increase follows U.S.G.'s announcement of two weeks ago. It was good to note the Wall Street Journal article on gypsum prices and competitions apparent readiness to increase prices on gypsum board products.

REGIONAL COMMENTS

National and Flintkote have been "sharp shooting" our prices with the Atlantic Building Supply Company in Western New York state, from one to two extra fives with this covering ten to twelve yards in Western New York state. We have met this situation by allowing the Rochester and Syracuse branches an additional 3 percent on just this customer.

MIDWEST

We adjusted the Chicago branch pink sheet prices on five minor products to bring them in line with the discount schedule on the major items. The St. Louis branch pink sheet is being changed effective February 17, 1969 to reflect a 5 percent reduction in the price on 3/8", 1/2" and 5/8" regular wallboard and 1/2" and 3/8" Firestop wallboard.

The old price on regular wallboard was $40.05 per MSF and is now $38.05 per MSF. This is a competitive activity report in last week's report.

[redacted]

As usual, this section of the country is a hot bed of competitive activity. We have had various requests to meet competitive pricing in the Dallas market alleging that U.S.G., National Coloten, and Flinthote have dropped their price to a $37.00 level direct and scattered on the job. We shall have to review this matter on Monday before giving the Dallas Office an answer. We have also been requested to meet several competitive situations in the Southwest area but all have been over our level or we have built into them a price increase. This will enable us to meet competitive situations and maintain our market penetration. In Houston with Marsh Bros., this protection matter cropped up again. We are meeting U.S.G. and Flinthote and partially meeting Dierks. We have protected current levels through August contingent on a given number of cars per month.

[redacted]

Good news for a change. We are publishing new pink sheet pricing reflecting higher branch pricing on board machine products to all branches in the Northwest Region. From all indications, the price increase effective February 16, 1969 will result in a net increase of approximately 5 percent. Mr. Reynolds also informed me that it appears very certain that the extra 5 percent in the Seattle-Tacoma market that become effective last week is being withdrawn effective February 16, 1969.

[redacted]

Things are relatively quiet in the West but we are publishing effective February 16, 1969

a new pink sheet for the Phoenix branch increasing board approximately 5 percent. This is the Western increase that from all indications is going into effect February 16, 1969. California will change March 1, 1969 and from indications received at both the Sigurd and Lovell plants, customers in the West are ordering materials and activity increased as both plants shipped more than their capacity, lowered their inventory, and still have orders booked for shipment. This is the best news we have had in the West in a long time.

R.F.F.

RFF/jh

'69 FEB 21 AM 11:38

EXHIBIT G-P 452

GPBW PORT

XPX

GA PAC CLEVE

PTLD K A MCCARTHY FRM ROGER MEYER 2/21/69

WEEKLY MKT REPORT

	AKRON	GRAND RAPIDS
BUDGET	900 M	1808 M
SHIPPED	756 M	2150 M
	+256 M	+342 M

MKT ACTIVITY - BUSINESS WAS GOOD FOR THIS TIME OF YEAR. DETROIT HAS DONE BETTER THIS WK. WE ARE AVERAGING 1 TRUCK PER DAY TO CUSTOM BLDG.

COMPETITION - PRICES RANGE FRM $37.00 TO $43.00 ON 1/2" BOARD. NATIONAL AND USG ARE MOST ACTIVE. JOINT SYSTEM PRICE INCREASE IS VERY SHAKY IN DETROIT AND OHIO AREAS.

WEATHER - GOOD

SERVICE - TRUCKING FRM BOTH MILLS IS VERY POOR.

QUALITY - BLISTER COMPLAINTS ARE MANY FRM GRAND RAPIDS MILL.

DISTRIBUTION DIVISION - GOOD JOB DONE BY ALL BRANCHES ON GYPSUM

LINE YARDS - JOINT COMPOUND PRICE IS UP TO 84 LBR. AND WOLMAN.

GA OR END

FNDX

DX(G-P)-458

EXHIBIT G-P 458

'69 APR 11 AM 9:42

GPBW PORT

GP REG CLTON

Carrollton

PORTLAND - K. A. McCARTHY FR W. D. BROOKS - CARROLLTON 4/11/69

RE: WEEKLY MARKET LETTER

1. MARKET ACTIVITY:

	SHIPPED	BUDGET	%
ACME	4794	4322	111
BLUE RAPIDS	480	538	89
TOTAL	5274	4860	109

ORDER FILE: ACME 383, BLUE RAPIDS 25. BOTH PLANTS ARE BOOKED SOLID THRU APRIL.

2. COMPETITIVE CONDITIONS:

SHREVEPORT AREA: NATIONAL AND CELOTEX IN TRUCKS AT MONROE, LA.
3/8" - 32.00
1/2" - 34.65
IN LONGVIEW, TEX. - NATIONAL AT 35.00 IN TRUCKS.

KANSAS CITY AREA: CRAWFORD COUNTY LUMBER COMPANY, GIRARD, KANSAS

3/8" AT 30.25

1/2" AT 33.75

TULSA AREA: REPUBLIC IN TRUCKS AT 32.00.

WICHITA AREA: NATIONAL, U S G IN TRUCKS AT 35.00.
STARR LUMBER COMPANY GOT 12 TRUCKS FROM NATIONAL AT THIS PRICE. MILLS LUMBER IN HUTCHINSON, KANS.- - 35.00. BRANCH WENT AHEAD AND TOOK AN ORDER AT 35.00. THEIR COST IS 34.50 NET.

DALLAS AREA: CELOTEX HAS NEW WRINKLE. CREDIT MAN TRAVELS WITH SALESMAN.
BOOKING ORDERS - 1/2" AT 34.19 LESS 2% CD
5/8" FS 46.19 LESS 2% CD
AND CREDIT MAN WORKS OUT TERMS AND FINANCING. TRYING FOR PACKAGE DEALS OF BOARD, TILE, SHEATHING - ETC. TIME SEEMS TO BE NO PROBLEM; IT PRICE PROTECTION.

HOUSTON AREA: MARKET PUSHING ALL TIME LOWS. NATIONAL USING CREDIT; ORDERS NOW, SHIP AT MILL CONVENIENCE AT TODAYS PRICE, PAY WHEN JOB IS COMPLETED. WE HAVE LOST TAPPEN LUMBER TO U S G. OUR PRICE WAS 35.00 - U S G CUT BELOW IT. WE LOST CHILEN GYPVAL TO U S G AT 34.90 THRU 1969. PROTECTION SEEMS TO BE PREVALENT IN HOUSTON BY U S G, NATIONAL, CELOTE AND NO ONE SEEMS TO BE STOCKING. MAY I COULD BE A TEST OF SURVIVAL OF FITTEST.

3. WEATHER: GOOD

4. SERVICE: HAS BEEN QUITE GOOD - FLATS COMING THRU GOOD.
QUALITY: SOFT EDGE COMPLAINT AND ANOTHER CALCINED ONE CAME UP.

5. DISTRIBUTION DIVISION: CONFUSED ABOUT GYPSUM. WE TALK PRICE RISE BUT COMPETITION STILL DROPPING PRICES - TAKING BUSINESS BUSINESS ON PROTECTED BASIS.

6. LINE YARDS: NO UNUSAL ACTIVITY REPORTED.

6. INDUSTRIAL: HOLDING UP WELL. BUD DAVIS' BROTHER-IN-LAW KILLED IN PLANE CRASH.

BA OR END

GPSV PORT

EXHIBIT G-P 59

P

GPBV PORT

GEO PAC FYPX

TO: MR. O. E. BURCH - PORT FM: L. H. KAPOOS - FX PX

SUBJECT MARKET LETTER - MIDWEST REGION

RE: WEEK ENDING 9/12/69

1. MARKET ACTIVITY - SHIPMENTS ARE STILL PRETTY GOOD IN SPITE OF THE FACT THAT THE MARKET IS NOT FLOURISHING AND WE HAVE JUST COMPLETED A SUPPOSED PRICE INCREASE

	G/RAPIDS	F/DODGE	B/RAPIDS
BUDGET	77	3,554	538
SHIPMENTS		3,485	653
+ OR -		-69	+115

TOTAL BUDGET 4,092

TOTAL SHIPMENTS 4,138

+ OR - +46

2. COMPETITIVE CONDITIONS - NATIONAL AND CELOTEX HAVE BEEN THE CULPRITS IN THAT A PRICE INCREASE WAS NOT BEEN EFFECTED. THEY HAVE DELAYED UNTIL AT LEAST OCTOBER 1.

3. WEATHER - PERFECT

4. SERVICE - WE ARE STILL HAVING PROBLEMS WITH TRUCKING FROM CHICAGO AND PLUF RAPIDS.

5. DISTRIBUTION DIVISION - THE DIST. DIVISION IS DOING EVERYTHING POSSIBLE IN THESE TROUBLED TIMES OF PRICE INCREASES AND GENERALLY CONFUSED CONDITIONS.

6. LINE YARDS - NO CHANGE.

DOCUMENT No. 5 132.45
W. E. C. - 8/1/72

SHIPPING DOG STANDARD.

DI(G-P)-544

EXHIBIT G-P 544

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 24, 1969

TO Mr. O. E. Burch LOCATION Portland

FROM D. E. Niederhorn LOCATION Portland

SUBJECT PRICES

Re: Week Ending October 24, 1969

cc: Mr. G. E. Wilson
Mr. R. W. Guenther

GENERAL

Just about all regional managers reported further price erosion for their respective regions.

As mentioned last week, the previously announced price increase for the Northwest Region went out the window necessitating us to republish new pink sheets to reflect the pre 10-15-69 prices.

National Gypsum has published new price sheets for the entire country to become effective 1-1-70. A study of their announcement is presently underway. No other manufacturers have published.

Individual changes made this week are outlined below under Regional Comments.

REGIONAL COMMENTS

NORTHWEST

To enable the Kansas City branch to meet a market price of $35.00 on 1/2" regular, their pink sheet was changed to $36.40 and the entire branch area reverted back to a one column pricing structure.

To enable the Lafayette branch to compete with trucking in the market that sells 3/8" at $29.00, 1/2" at $33.00 and 5/8" Firestop at $45.00, the branch has been positioned on 3/8" at $29.35 and 1/2" at $34.40 in carload quantities. Because of the 80¢ truck rate, the branch has been handling truckload

DOCUMENT No. 5 132.0
W. E. C. - 8/1/72

deliveries from warehouse stock.

MID-ATLANTIC

The trading areas of Norfolk, Richmond, and Columbia have dropped another 5% requiring pink sheet changes to reflect this deterioration. The Richmond and Norfolk branches were adjusted only on Group A products and Sheathing and the 4ORB BOX column was eliminated. The Columbia pink was adjusted on both direct and stock shipments with the 4ORB Box column eliminated.

MIDWEST

The Peoria market has slipped another 5% to seven 3's and their pink sheet was adjusted to reflect six 3's. To enable the St. Louis branch to meet competition of $36.00 offered to even small dealers, their pink sheet was adjusted on 1/2" regular to $30.00 in large cars and other products were adjusted proportionately.

It is apparent that the Louisville area never really went up as the market is now six 3's off the old list. Accordingly, their pink was changed to reflect the $43.60 price on 1/2" Regular. In connection with this change, stock column was eliminated.

EAST CENTRAL

Ruberoid and Flinthote have dropped the Pittsburgh market to six 3's and $1.00 off the $57.25 list requiring us to adjust the entire pink sheet structure to reflect a $43.00 pink price on 1/2".

NORTHEAST

The Providence market has dropped to five 3's. To enable the branch to be partially competitive we have changed their pink from three 3's and a 3 to four 3's and a 3, dropping 1/2" board to $45.85.

The Albany market has deteriorated to seven 3's and we have adjusted the branch's pink sheet to reflect six 3's.

The Buffalo and Rochester markets are now at six 3's. We have positioned these two branches at five 3's plus 3. Likewise, the Clifton branch trading area has deteriorated another 5% requiring us to adjust their pink sheet accordingly to reflect a $40.50 price on 1/2" Regular.

D. H. H.

DHH:ph

GPSW PORT

EXHIBIT G-P 548

GA PAC CLEVE Cleveland

'69 OCT 31 PM 1:12

10/31/69

TO: MR. O. E. BURCH - PORTLAND

FR: ROGER MEYER - CLEVELAND

MARKET REPORT

SHIPMENTS.....AKRON 841 M

GRAND RAPIDS 1430 M

FT. DODGE 200 M

TOTAL 2691 M

MARKET ACTIVITY - BUSINESS IS STILL FAIRLY GOOD. PRICES ARE FALLING ESPECIALLY WITH THE VOLUME BUYERS.

COMPETITION - USG AND CELOTEX ARE QUOTING VOLUME BUYERS ON A YEAR BASIS. MY INFORMATION COMES FROM CALLS MADE IN PITTSBURGH, CLEVELAND, GRAND RAPIDS THIS WEEK.

WEATHER - GOOD

SERVICE - TRYING WEATHER SEAL TRUCK ON JOINT SYSTEM EBH

QUALITY - MANY PAPER PROBLEMS, BLISTERING, CRACKING, HIGH SUCTION ON LATH.

BRANCHES - NO CHANGES

LINE YARDS - NO CHANGES

END OF GA

EXHIBIT G-P 550

GPSW PORT

GP REG CLTON Carrollton

'69 NOV 7 PM 1:18

PORTLAND - O. E. BURCH FR JANE CANTRELL - CARROLLTON 11/7/69

RE: WEEKLY MARKET LETTER

1. MARKET ACTIVITY	SHIPPED	BUDGET	%
ACME	4464	3885	115
BLUE RAPIDS	512	385	133
TOTAL	4976	4270	117

2. COMPETITIVE CONDITIONS: CELOTEX AND NATIONAL HAVE LETTERS OUT 11/3 - 12/31 UP TO 37.00. THEY HAVEN'T HELD IT IN ALL MARKETS - NATIONAL TOOK A TRUCK IN LONGVIEW, TEXAS AT 31.25 ON 1/4"; REPUBLIC STILL AT 29.00 IN OKLAHOMA CITY. U S G SAID THEY DIDN'T PLAN TO GO UP - AND TOOK BUSINESS FROM US AT 30.50. WE QUOTED 250 MSF FOR IMMEDIATE SHIPMENT AT 31.25 AND GOT BEAT BY SOMEONE, WE DON'T KNOW WHO. IN SUMMARY, IT LOOKS LIKE REPUBLIC IS MAKING A SHAKY ATTEMPT, NATIONAL ISN'T SERIOUS AND U S G ISN'T GOING. WE ARE SUPPORTING 37.00 BUT DON'T WANT TO LOSE MANY ORDERS. FLINTKOTE SOLICITING ROCK BUSINESS WHICH INDICATES BOARD PRODUCTION DOWN.

HOUSTON: REPORTS NO FIRMING. FLINTKOTE AT 32 ON MON. U S G AT 32 ON TUES.

DOCUMENT No. 9 8150
W. E. C. – 8.1/72

1. DALLAS: UNDERGROUND REPORTS 11/6 THAT U S G HAS INFORMED THEIR SALESMEN THERE WILL BE NO PRICE INCREASE AT THIS TIME. HOWEVER TO MAKE NO COMMITMENTS THAT CAN'T BE SHIPPED FROM MILL BY JANUARY 1 OR COVERED BY DEALER INVENTORY. SOUNDS LIKE THEY PLAN THEIR MOVE FOR JANUARY 1.

3. WEATHER: INTERMITTENT RAIN.

4. QUALITY: CRACKING COMING AROUND AGAIN - DAVE CORKILL ON IT. ACME CONSIDERING INCREASING MOISTURE CONTENT, EXPERIMENTALLY HERE.

SERVICE: GOOD. TRUCKING MUCH IMPROVED AT BLUE RAPIDS - AND WE'RE GETTING BUSINESS.

5. DISTRIBUTION DIVISION: XXXXX
STILL PUSHING HARD ON GYPSUM SALES.

6. LINE YARDS: NOTHING NEW.

7. INDUSTRIAL: DECK APPLICATORS SHIPPING SEVERAL LARGE ROOF DECK JOBS. SOME CUSTOMER'S PLANTS REPORTING SLOW DOWN. DALIN ASSOCIATES ATTEMPTING TO GET 6' 8" OR 7' 0" SPAN JOB ON FOIL BACK FORMBOARD TESTS. IF EVERYTHING GOES WELL, DALIN WILL GET UP REPRESENTATIVES IN 6 AREAS AND BE OFF TO RUNNING START BY JAN. 1ST.

GA OR END

GPBV PORT

DOCUMENT No. 5 8151
W.E.C. – 8/1/72

EXHIBIT
G-P 555

CPBV PORT

GEORGIA-PACIFIC

TO - D E DUPUY FROM W PROFFITT 11/21/69

CC - D F SCHMIDT

SUBJ: WEEKLY MARKET LETTER 11/21/69

SALES VOLUME HOLDING STEADY AT ALL BRANCHES IN SPITE OF SLIGHT DECLINES IN CONSTRUCTION IN SOME AREAS. IT IS VERY APPARENT THAT CONSTRUCTION MONEY FOR PROJECTS IS AVAILABLE AND BEING PUT ON THE LARGER BUILDERS AND THAT SMALL TO MEDIUM SIZE BUILDERS IS FEELING THE PINCH. CONSTRUCTION OF APARTMENT UNITS IS VERY ACTIVE WITH MONEY AVAILABLE TO THE SMALLER BUILDERS IN THIS FIELD.

GYPSUM PRICES ARE GENERALLY SOFT WITH A DOWNWARD REVISION HAVING TAKEN PLACE IN ARIZONA. THERE IS SOME SUPPORT FOR A PRICE INCREASE FOR JANUARY 1970 WITH KAISER, U.S., AND CELOTEX HAVING ANNOUNCED NO F&P FOR CALIFORNIA AND ARIZONA. UNFORTUNATELY, THESE PRICE INCREASES ARE NOT REALISTIC, AND REPRESENT ONLY A HALF-HEARTED ATTEMPT AT A PRICE INCREASE.

THERE IS LITTLE NEW TO REPORT ON MATERIAL QUALITY AND THE SHIPPING PROBLEMS (INTRANSIT DAMAGE) WE ARE WORKING TO SOLVE. OUR NEW ACME PRODUCED 1/2" BOARD IN PHOENIX THIS WEEK CODED IN SCHEDULER WHICH WAS ONE OF THE FINEST WORKING BOARD I HAVE SEEN. WITH A CONSISTENT QUALITY OF THIS KIND WE COULD EASILY BE NUMBER ONE IN THE INDUSTRY ON QUALITY. OUR GYPSUM MANUFACTURING DEPARTMENT IS TO BE CONGRATULATED FOR THE FINE PROGRESS THEY ARE MAKING IN CORRECTING WHAT WAS A SERIOUS QUALITY PROBLEM.

GA OR END

GPPV PORT
[redacted]
GPPV PORT

EXHIBIT
G-P 556

'69 NOV 31 AM 8:04

GPPV WILM
11/28/69
TO: O E BURCH - PORT
FROM: R C HARTMAN - WILM

WEEKLY MARKET LETTER FOR WEEK ENDING 11/28/69

1. MARKET ACTIVITIES
SHIPMENTS 2,924M, STANDARD 3,040M
QTR SHIPMENTS 26,364M, STANDARD 30,400M
SHIPMENTS WERE UP ABOUT 400M COMPARED TO THE CORRES WK OF LAST YR.

P.J.F., INC, PHILADELPHIA HAS BEEN OFFERED BY KAISER & USG AND, WE ARE REASONABLY SURE, BY NATIONAL TO SHIP DIRECT ON LARGE PROJECTS, BILLING TO STILL GO THROUGH DEALER.

WE HAVE REGAINED RADIANT HEAT BUSINESS FROM UPSTATE MARYLAND. ORDERS FOR 4 HOMES WERE RECEIVED FROM FREDERICK.
ATLANTIC CITY ELECTRIC CO WAS MOST RECEPTIVE AND WILL ASSIST IN PROMOTIONOF GP PRODUCTS IF WE ARE ABLE TO COMPLY WITH THEIR REQUIREMENTS
INTEREST IN THE PITTSBURG AREA IS CONTINUING TO BUILD. A "NITTY GRITTY" TRIP WILL BE UNDERTAKEN NEXT WEEK.

INDUSTRIAL - GYPSUM ROCK EXPECTED DEC SHIPMENTS - LEHIGH CEMENT, 600 TONS, HERCULES CEMENT 500 TONS, NATIONAL CEMENT 950 TONS.

2. COMPETITIVE CONDITIONS
KAISER & CELOTEX REPORTEDLY HAVE PUBLISHED PRICE CHANGES FOR 1/1/70 AS NATIONAL DID BUT I HAVE NOT AS YET SEEN THE LETTERS. KAISER INDICATED TO KEY ACCOUNTS THAT PROTECTION WILL BE READILY AVAILABLE.

THE MARKET CONTINUED TO BREAK DOWN IN THE NEW YORK AREA MARKETS AND [illegible]
WE HAVE HAD TO ADJUST OUR PRICES ACCORDINGLY. THE MANCHESTER MARKET WHIR HAS BEEN RATHER FIRM ALSO DROPPED 2-5'S THIS PAST WEEK, WHICH WE ARE PARTIALLY MEETING.

INDUCTRIAL - USG ARE SHIPPING #1 CASTING PLASTER WITH FIBERGLAS ADDED TO AUSTIN PRODUCTIONS, BROOKLYN. WE CANNOT ADD FIBERGLAS TO OUR PRODUCT.

3. WEATHER - WESTERN N Y STATE HAD HEAVY SNOW, BAL OF REGION GOOD WEATHE

4. PLANT SERVICE & QUALITY.
WILMINGTON - TRUCKING SERVICE CONTINUES TO BE A LARGE PROBLEM WHICH WE ARE KEEPING SID MCKEVITT AWARE OF. QUALITY - WE HAVE REPORTS OF A LARGE JOB BEING STOCKED WITH BOARD AT 3/4" WEST WHICH WE ARE CURRENTLY INVESTIGATING. IT MAY BE WE WILL HAVE TO RESTOCK A FLOOR OR 2 OF THE BUILDING.
BUCHANAN - A FEW TRUCKS REPORTED ARRIVING LATE AT DESTINATION. VARIOUS EXCUSES WERE GIVEN. NO QUALITY PROBLEMS.
AVOCA - NO PROBLEMS
BLUE RAPIDS - HAD NOTICE OF SHIPMENTS OF K-5 DENSITE FOR WILM STOCK. THIS WILL BE 2 WEEKS OF NO SHIPMENTS.

5. BRANCH ACTIVITY - NOTHING NEW TO REPORT

6. LINE YARD ACTIVITY - NOTHING NEW TO REPORT.

INDUSTRIAL DEV COMMENTS - WEAVER CERAMICS APPROVED LAST SAMPLE OF K-50 AND WILL PLACE AN INITIAL ORDER OF A 30 TON CAR WITH IN/D.

GA OF END

GPPV PORT

DX(G-P)-558

EXHIBIT G-P 558

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE December 5, 1969

TO: Mr. O. E. Burch

LOCATION: Portland

FROM: D. H. Niederkorn

LOCATION: Portland

SUBJECT: PRICES

Re: Week Ending December 5, 1969

cc: Mr. G. E. Wilson
Mr. K. W. Guenther

ADMITTED

GENERAL

We have now learned that all major producers have announced substantial increases effective January 1, 1970. We have been studying these sheets in relation to current market conditions and what we can hope to expect in the way of an increase on the basis of a net profit price without further discounts. Progress has been made in finalizing trade announcement letters for the Northwest and Western Regions to become effective January 15, 1970.

Pink sheet changes were relatively few this week. What changes there were were only minor--adjusting singular items or Group A products only. Individual changes made during this week are outlined below under Regional Comments.

REGIONAL COMMENTS

WESTERN

Group A prices for the Denver trading area were adjusted approximately 5% to reflect 1/2" board at $31.40 in large cars and $33.40 in truckload shipments.

NORTHEAST

In the Manchester trading area, Celotex, U. S. G., and National are all offering six 5's. Up until now, the branch has been positioned at two 5's plus $2.00. We have adjusted their pink to reflect four 5's + $2.00 effective December 1, 1969. This changes 1/2" regular from $51.30 to $46.30.

MID-ATLANTIC

Both the Greensboro and Richmond markets dropped 5% on Group A products. Making these two branches competitive reduces 1/2" regular from $40.65 to $39.45.

SOUTHEAST

The Atlanta Branch previously had a commitment covering a 5% discount on 1/2" Sheathing.

Their pink sheet was adjusted to reflect this competitive situation and the commitment was cancelled.

D. H. N.

DHN:ph

EXHIBIT G-P 576

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE February 27, 1970

TO Mr. H. E. Sand — LOCATION Portland

FROM R. C. Schmidt — LOCATION City of Industry

SUBJECT Market Letter 2-27-70

Activity is still slow in California, but this is the last week they will be able to blame it on inventory taxes.

The fir plywood market is not showing any strength at all. We find more sanded being offered, especially shop grade at lower prices. Out-of-warehouse prices are not good at all, just meeting competitive situations leaves us very little room for operating expenses. Weyerhaeuser must have some unlimited supply; they are certainly becoming more than just active in our markets with sanded being their strong suit.

Gypsum prices took another jolt; this time in Denver and Phoenix markets. Our ability to raise prices looks more discouraging as time goes by. Large projects are drying up which eliminates the big volume orders, therefore it takes a great deal more sales efforts to maintain our position. I am sure that competition finds the same conditions. Costs go up but apparently nobody is concerned about recouping some of these expenses.

Dimension V paneling is receiving good reception, but not nearly the accelerated sales we had hoped to see; perhaps, it is too early to give full evaluation as yet as the promotion programs are just getting under way.

Outlook most favorable for March as we expect to recoup some of the losses in February sales due to inventory taxes. No further projections at this time as we can see no definite trends developing.

Regards,

RCS:nh

cc: Messrs. W. H. Hunt
F. V. Longfitt, Jr.
C. Wilson
D. E. Burch
Jens Jorgensen
J. E. Berger
Regional Managers

MAR 9 - 9??

2338ex
DX(G-P)-577

EXHIBIT G-P 577

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE 3-9-70

TO Mr. D. E. Burch — LOCATION Portland

FROM E. D. Wertz — LOCATION San Jose

SUBJECT WEEKLY MARKET LETTER
WEEK ENDING 3-5-70

(A) Weekly Standard 1,925,000 Ft.
Shipments 1,495,000 Ft.
SHORT 430,000 Ft.

(B) We are short of standard again this week, but our volume is gradually improving. We are having to meet the $56.00 T&T price in all cases to hold what we have. Lower carload prices have to be billed at T&T price with a credit issued for the difference.

(C) There seems to be a price war where-by Kaisdr, National, and Blue Diamond are establishing there truck and trailer prices at what ever price level they find cars of board being sold at. This is due to the fact that they prefer to ship by truck and save the cost of strapping and covering the material on rail cars.

E. D. Wertz

E. D. Wertz

cc; R. C. Schmidt

MAR 11 ??

250-346 O - 77 - vol. 6 - 14

EXHIBIT
G-P 578

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE March 16, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM W. T. Ellis — LOCATION Charlotte

SUBJECT: Weekly Market Letter for W/E 3-12-70

(A) Weekly Budget 3,346 MSF
Weekly Shipments 2,532 MSF
+ 814 MSF

(B) Weather conditions still not stable with snow and rain in northern part of region and some warm days in southern areas.

(C) Revised pricing now in effect to all branches as market continues downward. Demand still very low but several large jobs should start shipping soon. Lowe's sales excellent, due to 15th cut-off date on 3% allowance. Sales to branches very low as material is not moving from branches into the field. Competition is now quoting three fives on Sheathing in Carolinas. Possible four fives going to key accounts in same area on Group 4 products.

W. T. E.

WTE:nm

MAR 17 1970

DX(G-P)-580

EXHIBIT
G-P 580

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE March 30, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM W. T. Ellis — LOCATION Charlotte

SUBJECT: Weekly Market Letter for Week Ending 3-26-70

(A) Weekly Budget 3346 MSF
Weekly Shipments 2360 MSF
-986 MSF

(B) Weather conditions continue very unstable with snow and rain in northern areas and sunshine with warming temperatures in south.

(C) Prices continue downward in Pittsburgh as Celotex, U.S.G. and National are quoting $37.90 on 1/2" to all major accounts.

Lowe's sales almost at standstill as only 94,000 square feet was shipped last week. They are still fishing for the 3% inventory allowance that was discontinued as of 3/15/70.

We had two serious complaints this week on material out of Brunswick. Shaw Lumber Company in Florence, S. C. once again has paper bond problems along with Asheboro Lumber Company in Asheboro, N. C. Quality personnel advised and will handle.

W. T. E.

WTE:nm

cc: Mr. J. J. Castevens - Charlotte

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: April 27, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: K. E. Kaybuck — LOCATION: Detroit

SUBJECT: Market Letter Week Ending 4/23/70

EXHIBIT G-P 584

(A) Standard 1846
Shipments 1769
77

Sales 88% Total Plant Production

(B) We are still looking forward to a plus week. This would have been it if our truck and rail shipping into Ohio had not become more difficult. We have had all the Ohio branches ordering cars but now we are having difficulty getting them. Today we have 7 trucks and 6 cars on order that we can't get the equipment for. Traffic is giving us their complete cooperation. Competition is doing much better in trucking our market with their independent truckers.

(C) Competitors generally are continuing to cut prices in most markets. A significant area is Dayton with USG and National. National for the first time is job site trucking and dropping trailers.

Cincinnati is becoming more of a trucking market. We feel it is becoming increasingly important to improve our trucking for these markets is the area of equipment availability.

K.E.K.

KEK/wk

cc: Mr. R. C. Newman - Franklin Park

RECEIVED
GENERAL SALES - GYPSUM
MAY 29 1970

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: May 4, 1970

TO Mr. O. E. Burch — LOCATION: Portland

FROM Mr. R. C. Hartman — LOCATION: Wilmington

SUBJECT: WEEKLY MARKET LETTER W/E 5/2/70

EXHIBIT G-P 586

(A) Weekly Budget 4,123 MSF
Weekly Shipments 3,257 "
866 "

(B) Business continues to be very slow due to weather and the low number of starts in the Northeast Region. The writer visited the supplier for the Levitt Operation in Long Island and was told that they are only starting 3 houses a week; whereas, in normal times they start 5 a day. I merely point this out to indicate how poor business is in this area.

(C) Prices continue to drop and it looks like there is no bottom.

R.C.H.

RCH/pat

OEB says no point wire @ this late date.
M.J.

MAY 5 1970

EXHIBIT
G-P 587

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: May 19, 1970

TO: Mr. O. E. Burch

LOCATION: Portland

FROM: L. R. Kahoun

LOCATION: Franklin Park

SUBJECT: WEEKLY MARKET LETTER w/e May 16, 1970.

A)

Standard	5,615
Shipments	2,982
	- 633

B)

C) The price of gypsum seems to be deteriorating in just about every market we have. Attached is an ad which appeared in the St. Louis paper showing 3/8" 4' x 7 or 4' x 8' @ $1.09 per sheet. We lost the business for the next 90 days with a $31.00/M price.

In the Peoria area dealers are being quoted $34.00/M less than fifty miles from our 100% account, Hausmann Drywall. He is buying at $36.00, but informs us that he is not ordering anything due to a carpenters' strike where they are asking for $3.75 over the next three years. However, he has had prices thrown at him of $31.00, $32.00 and $33.00/M.

The USG Sales Manager went through the Des Moines Branch trading area quoting dealers where we were getting as much as $41.00.

Louisville reports that at Ajlby Lumber they were getting $39.60 and USG went in at $36.65.

In Evansville we lost 3 cars to Cole Lumber and our bid was $36.65. The Evansville salesman saw a USG invoice at $36.58 in a dealer's office in Terre Haute.

There are two significant conclusions; one, that there is no incentive for trucks over the carload price and two, some of our competitors will allow us to get more money from the small dealer than the trade factor.

Rail service is becoming extremely difficult as it appears that the extra congestion caused by the lack of trucks is causing 3 - 5 days delay.

Attached is a report that Henry Crown has taken complete control of General Dynamics. Bob McDermott of Material Service, informs us that they are still interested in the building material business as that was one of their few profit makers last year.

LRK/lfl

L. R. K.

MAY 21 1970

Chicago Tribune
TUESDAY, MAY 12, 1970

Crown Slated to Head Dynamics Committee

BY JOSEPH EGELHOF
Tribune Press Service

New York, May 11—Stockholders of General Dynamics corporation were informed today that their board plans to elect Henry Crown, Chicago industrialist who owns a large block of stock, as chairman of a new "executive policy committee."

The new committee will review all policy matters before they come to directors.

A disclosure was made in a proxy statement for the May 27 annual meeting at Fort Worth that was mailed over the week-end.

Content of Statement

The proxy statement said that if directors of General Dynamics are reelected at the annual meeting they will form the new executive Policy committee and take several other actions.

Roger Lewis, who is now board chairman, president, and chief executive officer, will relinquish the presidency and together with Crown will select a new man for the job, but will continue as chairman and chief executive, the proxy statement said.

Lewis also will be a member of the executive committee. The other members will be Nathan Cummings, William C. Robinson, Stanley Gault Osborne, and Lee D. Walsh.

All are nominated for the company's expanded board which was announced recently, following agreement between Crown interest and General Dynamics management.

Besides Crown, Cummings, and Osborne, the others who were nominated for the board with Crown include Robert V. Ramsberger, Albert H. Jenner Jr., and Eleazar J. Livingston Jr. Mr. Livingston, a former chairman of the First National Bank of Chicago, died last Saturday. No one has been nominated to the General Dynamics board in his place.

When the new president takes office he will be added to the executive committee and Lewis will remain a member of it.

Executive Policy

"If the nominees named in this proxy statement are elected at the annual meeting the board of directors will create a committee of the board to be known as the executive policy committee," the proxy statement said.

"The function of this committee will be to review, prior to all board meetings and in such depth as may be necessary, all important matters of policy to come before the board, and to make specific recommendations thereon to the full board of directors as to proposed actions. It is not intended that the committee exercise any operating function."

Lewis and Crown also will select the new financial vice president to replace John A. Morgan, whose resignation was announced recently. The executive policy committee will advise Lewis and Crown on selecting the new officers and they will be subject to the approval of the board of directors.

Col. Henry Crown

DX(G-P)-588

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: June 1, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: J. B. Goetze — LOCATION: Cleveland

SUBJECT: Weekly Market Letter - Week Ending May 30, 1970

EXHIBIT G-P 588

A. Weekly Sales vs. Budget: Sales continue to increase at all branches.

B. Inter-State Drywall, Youngstown, Ohio, placed five truckload order. Sold Albany, New York, job (35 T/L) and Friday contractor canceled. Supposition is that Albany dealer and U.S.G. jumped in head first with extended terms and/or guarantee of the General Contractor's credit. Cleveland and Akron branches each picked up several new lumber dealer gypsum customers....both direct and out of warehouse.

C. Price weakness appearing in Pittsburgh market, appears to be going from 8 to 9-5% off old list. Having some effect on our sales to Export Drywall. We are following Export for details Celotex quoting 4-5% on board to lumber dealer accounts 1/2" $38.32, confirmed at Morgan Lumber Company, Warren, Ohio. This is 5% below lumber dealer market in Akron-Cleveland area.

JBG/ard

cc: Mr. E. L. Airington

JUN 3 - 1970

EXHIBIT G-P 591

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE: July 13, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: J. B. Goetze — LOCATION: Cleveland

SUBJECT: Weekly Market Letter - Week Ending July 11, 1970

A. Weekly Sales vs. Budget

	Weekly Standard	Weekly Shipments Akron Plant Only	Variance
Akron	177	155	- 22
Cleveland	332	252	- 80
Pittsburgh	282	233	- 49
Weekly Standard	791	640	-151

B. Akron branch will recover next week, they are forecasting 400 or more for week ending July 18, 1970.

Cleveland branch - plumber strike continues, some builders are predicting strike will not be settled until September. Much work pending; however, real recovery for gypsum sales can not be expected until four to six weeks after strike is over.

Pittsburgh branch has been between jobs these past two weeks and next week already shows recovery signs.

C. No price increase word as yet from U.S.G. or National. Prices continue to slip a little almost daily.

JBG/ard

cc: Mr. H. L. Airington - Charlotte

EXHIBIT G-P 593

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 12, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM J. B. Goetze — LOCATION Washington

SUBJECT: Weekly Market Letter - Week Ending 10-8-70

(A) Standard 4045 MSF
Shipments 3678 MSF
-367 MSF

(B) During the past three weeks we have had paper problems on shipments from Akron, Wilmington and Brunswick. Railroad blows are our main concern. All plant managers have been advised and hopefully this problem can be controlled.

(C) Most markets are reporting at least a 5% discount from current list prices and areas at the $40 or $42 - list report competitive discounts ranging from one 5 to three 5. Its hard to figure.

The short range sales volume picture continues to look strong, however, price without a doubt is deteriorating.

J. B. G.

JBG:mj

cc: Messrs. H. L. Airington
W. T. Ellis

RECEIVED BY
OCT 15 1970
GYPSUM DIVISION

EXHIBIT
G-P 594

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 28, 1970

TO Mr. O. E. Burch

LOCATION Portland

FROM L. H. Kaboos

LOCATION Franklin Park

SUBJECT: Weekly Market Letter - w/e 10/22/70

A) Weekly Shipments 2,777
" Standard 3,707
- 930

B) Business continues sluggish and the optimistic 1,700,000 starts certainly are not evident in the Midwest area. We continue to be hurt by the General Motors strike which is affecting nearly every town since we are so closely tied into the automotive industry.

At the moment the bright spots seem to be in the Evansville and Indianapolis trading areas and both branches are placing stock orders for out-of-warehouse shipments at the Fort Dodge Plant this week.

C) National Gypsum now has their warehouse in St. Louis in operation and is reported to be selling gypsum products at 10% over the carload price.

Prices are continuing to fall in Iowa and Minnesota as well as the St. Louis area.

LHK/lfl

L. H. K.

cc: Mr. R. C. Newman

RECEIVED BY
OCT 30 1970
GYPSUM DIVISION

EXHIBIT
G-P 596

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE November 9, 1970

TO Mr. O. E. Burch

LOCATION Portland

FROM R. C. Hartman

LOCATION Wilmington

SUBJECT WEEKLY MARKET LETTER W/E 11/6/70.

(A) Weekly Budget 4,715 MSF
Weekly Shipments 3,558 MSF
-- 1,157 MSF

(B) Unsettled prices are still affecting our business, plus business is off in general.

(C) No comments.

R. C. H.

RCH/mc

RECEIVED BY
NOV 10 1970
GYPSUM DIVISION

EXHIBIT
G-P 601

DX(G-P)-601

Franklin Park

E. A. MC CASTLE - PTLD 1-17-69 FROM J. M. BOETZE - MV

SUBJECT: WEEKLY MARKET LETTER - MV REGION

RE: WEEK ENDING 1-17-69

1. MARKET ACTIVITY - POSITIVE UPSWING

	GR RAPIDS	FT DODGE	SL RAPIDS
BUDGET	77	3,954	538
SHIPMENTS	170	3,114	703
+ OR -	+93	-440	+165

TOTAL BUDGET 4,169

TOTAL SHIPMENTS 3,987

+ OR - -182

CHGO JT SYS PLANT 60 TONS

2. COMPETITIVE CONDITIONS - ST. LOUIS PRICING 1/2" RANGING AT $38.00 AND LESS BECOMING VERY PREVALENT IN SO. ILLINOIS TO PEORIA AND QUAD CITIES.

WILW REPORTS USG HAS COMMITMENT AT 4 - 5% OFF NEW LIST GUARANTEED FOR 6 MOS. TO FLEMING MTLS. - WILW. REPORTEDLY FLEMING IS CURRENTLY BUYING AT $38.00 FROM CELOTEX.

RELIABLE SOURCE REPORTS CELOTEX SELLING NUMBER OF CARS TO GRAY DROS - CHGO 90M C/L AT $38.00 (1/2") 60 DAYS 2% 90 DAYS - NET. CELOTEX TOOK THIS ACCT FROM GR RAPIDS GYP.

DX(G-P)-601

ALL MARKET LEVELS VERY UNSTABLE - CUMEROUS RUMORS TO EFFECT THAT COMPETITION IS STARTING TO QUOTE TRADE FACTORS IN CURRENT 4 - 5% AREAS 5 - 5%. THIS PRICE EROSION IS FILTERING DOWN TO ALL LEVELS OF DISTRIBUTION.

CELOTEX AND USG CONTINUE TO BE DOMINANT FACTORS VIA THE PRICE CUTTING ROUTE.

3. WEATHER - VERY CRUMMY..
4. SERVICE - SATISFACTORY
   QUALITY - SATISFACTORY

5. DISTRIBUTION DIVISION - HAVE NOTIFIED ALL BRANCHES RE OUR NEGATIVE PERFORMANCE EARLY THIS MONTH. MAINTAINING SLS PRESSURE AT ALL LEVELS.

6. LINE YARDS - NO SIGNIFICANT CHANGE.

7. INDUSTRIAL SALES ACTIVITY - STATUS QUO

CC: R. C. NEWMAN - FX FK

EXHIBIT G-P 620

[illegible]

OMAHA POST

OLD DOC TYPE

O. E. PUTCH STLP 6-07-60 FW L W PARSONS - FX PX

WEEKLY MARKET LETTER - MIDWEST REGION

RE: WEEK ENDING 6-07-60

1. MARKET ACTIVITY - HAS SLOWED DOWN IN GENERAL. QUAD CITIES STRIKE HAS BEEN SETTLED AND WE ARE NOW SHIPPING INTO THIS AREA.

	GR RAPIDS	FT DODGE	EL RAPIDS
BUDGET	77	3,554	539
SHIPMENTS	51	2,578	367
+ OR -	-26	-976	-171

TOTAL BUDGET 4,169

TOTAL SHIPMENTS 2,996

+ OR - -1,173

CHGO AT EVE PLANT 36 TONS

2. COMPETITIVE CONDITIONS - COMPETITION IS STILL KEEN AND A CONSISTENT DEMORALIZATION OF PRICES EXISTS. CREDIT REMAINS A PROBLEM WITH SOME FACTORS.

3. WEATHER - EXCELLENT

4. SERVICE - SERVICE HAS BEEN ADEQUATE; HOWEVER, WE ARE AT A DISADVANTAGE IN THAT THE LOW INVENTORY AT GRAND RAPIDS MAKES IT VERY DIFFICULT TO BE FLEXIBLE.

QUALITY - REMAINS ADEQUATE AT ALL PLANTS.

5. DISTRIBUTION DIVISION - ACCELERATING EMPHASIS ON GYPSUM AND ARE MAKING A DETERMINED EFFORT TO CAPTURE THE MARKET WE WANT.

6. LIME VAPOR - REMAIN AS HAS BEEN PREVIOUSLY REPORTED.

7. INDUSTRIAL SALES ACTIVITY- INDUSTRIAL PLASTER SALES CONTINUE AT A NORMAL RATE.

CC: R. C. NEWMAN - FX PX

250-348 O - 77 - vol. 6 - 15

EXHIBIT
G-P 621

GPBV_PORT Franklin Park

'69 JUN 16 AM 8:46

GEO PAC FXPK

K. A. MC CASKILL PTLD 6-16-69 FM L. H. KAPOOS - FX PK

SUBJECT: WEEKLY MARKET LETTER - MIDWEST REGION

RE: WEEK ENDING 6-13-69

1. MARKET ACTIVITY - NOT MUCH SPARK IN MARKET. WE CAN SEE SLOWING DOWN DUE TO SHORTAGE OF MORTGAGE MONEY.

	GR RAPIDS	FT DODGE	PL RAPIDS
BUDGET	77	3,554	538
SHIPMENTS	120	3,398	456
+ OR -	+43	-156	-82

TOTAL BUDGET	4,169
TOTAL SHIPMENTS	3,974
+ OR -	-195

CHGO JT SYS PLANT - 193 TONS

2. COMPETITIVE CONDITIONS - PRICES ARE STILL ALL OVER THE BOARD. IT APPEARS THAT NATIONAL GYPSUM HAS TAKEN A VERY AGRESSIVE STAND TO REPLACE ALL BUSINESS THEY HAVE LOST IN THE LAST 3 YRS AND ARE ESPECIALLY ACTIVE IN THE INDPLS MARKET.

3. WEATHER - SEASONAL

4. SERVICE - HAS IMPROVED FROM ALL PLANTS
QUALITY - REMAINS SATISFACTORY

5. FIST DIV - PUTTING ENOUGH EMPHASIS ON GYPSUM TO REACH STANDARD.

6. LIN YARDS - REMAINS IN SAME POSITION AS IN THE PAST.

7. INDUSTRIAL SALES ACTIVITY - NO CHANGE.

CC: R. C. NEWMAN - FX PK
GA OR END
TU FWRW

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 13, 1969

TO Mr. H. E. Sand — LOCATION Portland

FROM Jack J. Castevens — LOCATION Charlotte

SUBJECT: Weekly Market Conditions - Mid-Atlantic Region

EXHIBIT
G-P 626

Warehouse sales remain very active at most all branches... Washington area still being hurt by carpenters' strike. Sanded sales are improving and sheathing going out as fast as it comes in. We are running into difficulty in moving Particleboard at any price. Some old accounts are not buying because of previous problems and claims some have switched over to plywood. It looks like we will have to go to the West Coast for 12' Particleboard for our mobile home accounts due to our inability to handle 4' and 6' drop ends.

Gypsum picture becomes muddier everyday. National is trying to recoup some of their lost business.

No change in June outlook. Profit picture remains dim due to Sanded and Particleboard situation.

J. J. C.

JJC:lr

cc: Messrs. W. H. Hunt
F. V. Langfitt
K. A. McCaskill
G. E. Wilson
W. R. Purifoy
J. R. Berger
All Regional Managers

JUN 16 1969

EXHIBIT
G-P 637

COPY POST

Dolly

GAPAC CHLOT

O.E. MCCARTHY TO T.O. KEUSLER 6/07/69

WEEKLY MARKET LETTER FOR W/E 6/07/69

SHIPMENTS 1,697,000 FEET STANDARD 2,173,000 FEET

COMPETITIVE CONDITIONS - PRICES ARE CONTINUING TO ERODE THROUGHOUT THE REGION. FOUR 5'S ARE COMMONPLACE WITH THE SMALL DEALERS AND THE MEDIUM VOLUME ACCOUNTS ARE BUYING AT FIVE 5'S. CELOTEX SOLD ONE SMALL DEALER WHO HAD NOT PREVIOUSLY BEEN STOCKING BOARD AT FIVE 5'S AND A 3.

WEATHER - FAIR

PLANT SERVICE AND QUALITY - WE ARE AGAIN HAVING TROUBLE WITH SHIPMENTS OUT OF WILMINGTON DUE TO LACK OF INVENTORY. THE WASHINGTON BRANCH LOST TWO ORDERS DURING THE PAST WEEK AND, IN ADDITION HAS HAD SEVERAL DISCONTENTED CUSTOMERS DUE TO POOR SERVICE.

BRANCH ACTIVITY - NOTHING NEW TO REPORT

LINE YARDS - NOTHING NEW TO REPORT.

GA OR END

COPY POST

END REPORT

GAPAC CHLOT Charlotte

O.E. BURCH TO T.O. KEUSLER 7-18-69

EXHIBIT
G-P 655

WEEKLY MARKET LETTER FOR W/E 7-19-69

SHIPMENTS 2,024,000 FT. STANDARD 2,076,000 FEET

COMPETITIVE CONDITIONS - GAT'L GYP. WAS QUOTED FIVE 5'S OFF THE OLD LIST TO MONARCH SUPPLY, CHARLESTON, S.C. ON A JOB THAT HAS BEEN HANGING FOR SEVERAL MONTHS AND IS ABOUT TO BREAK IN THE NEAR FUTURE. THIS JOB INVOLVES ABOUT 250,000 FT. NATIONAL HAS ALSO QUOTED FOUR 5'S ON VINYL BOARD IN GREENSBORO, N.C. U.S.G IS QUOTING THREE 5'S ON THE GYP. SHEATHING IN THE SAME AREA.

PLANT SERVICE & QUALITY - THE INVENTORY SITUATION AT WILMINGTON IS DEPLORABLE. WE LOST SEVERAL ORDERS IN THE BALTIMORE- D.C. AREA THIS WEEK DUE TO OUR INABILITY TO SHIP. WE CANNOT RETAIN OUR PRESENT ACCOUNT UNDER CURRENT CONDITIONS, TO SAY NOTHING OF ACQUIRING NEW ONES. ONE OF THE D.C. SALESMEN PICKED UP THE INITIAL ORDER FROM A KEY ACCOUNT HE HAD BEEN WORKING ON FOR FOUR YEARS AND THEN FOUND THE PLANT COULD NOT FILL THE ORDER. IN FACE OF NO INVENTORY THIS WEEK, THE PLANT WAS FORCED TO CUT BACK ON GYP BOARD PRODUCTION IN ORDER TO FILL A LARGE J.M. ORDER. HOW DO WE MEET STANDARDS UNDER SUCH CONDITIONS?

BRANCH ACTIVITY - THE BOARD VOLUME AT THE BALTIMORE AND WASHINGTON BRANCHES PARTICULARLY HAS BEEN DOWN DUE TO THE SITUATION AT WILMINGTON, AND THERE IS NO PROSPECT OF ANY IMPROVEMENT IN THE NEAR FUTURE.

LINE YARDS - NOTHING NEW TO REPORT.

GA OR END

EXHIBIT G-P 656

GFDU PORT

GA PAC CLEVE

7/16/69

TO: O.E. DURCK - PORTLAND BESTVALL

FR: ROGER MEYER - CLEVELAND

MARKET REPORT

	AKRON	GRAND RAPIDS	FORT DODGE	BLUE RAPIDS
BUDGET	700	2060	115	0
SHIPPED	866	2616	198	293
	+166	+536	+83	+293

TOTAL - 3973

MARKET ACTIVITY - SHIPMENTS ARE GOOD-PLANTS ARE OUT OF INVENTORY AGAIN, LOSING ORDERS. INVENTORIES LOOKED GOOD LAST WEEK BUT THIS WEEK DRAINED THEM OUT.

COMPETITION - USG DROPPED VINYL PRICES TO 5-5% IN DETROIT. USG HAS BEEN VERY ACTIVE PRICE WISE IN PITTSBURG, CINCINNATI, AND DETROIT. IT LOOKS LIKE THEY ARE POSITIONING THEMSELVES WITH NEW BUSINESS IN EACH MARKET TRYING TO OFFSET THE COMING SLOW-DOWN. USG IS GUARANTEEING PRICES TO ACCOUNTS THEY HAVE NOT SOLD IN SEVERAL YEARS.

WEATHER - GOOD, HOT

SERVICE - NO PROBLEMS

PACKAGE { QUALITY - SEVERAL COMPLAINTS ON AKRON BOARD. IT IS NOT CONSISTENT-SOME GOOD, SOME BAD.

DISTRIBUTION DIVISION - NO PROBLEMS

LINE YARDS - CELOTEX HAS OFFERED TO SHIP TRUCKS INSTEAD OF CARS TO GA LBR IN ILLINOIS WITH NO UP CHARGE. HAVE TALKED WITH TRAFFIC DEPT ON THIS AND WILL BE MEETING WITH GA LBR NEXT WEEK. WE WILL NOT FOLLOW CELOTEX ON THIS.

END OF GA

EXHIBIT
G-P 718

GPPW PORT

GEOPACCOPPLA
9-12-69 430P Los Angeles

TO: O. E. BURCH FROM: H. UMBREIT
CC: P. C. SCHMIDT

SUBJ: WEEKLY MARKET LETTER 9-12:69

SOUTHERN CALIFORNIA - PRICE TREND DOWNWARD.

ARIZONA - PRICE TREND DOWNWARD WITH TRUCKING ALLOWANCES AND DIRECT SALES TO CONTRACTORS (IN A MARKET THAT UP TO RECENTLY WAS DEALER ORIENTED) COMPLICATING THE PRICING PICTURE.

COLORADO - THE 9-1 PRICE INCREASE DID NOT GO INTO EFFECT. PRICES AT THE OLD LIST ARE WEAK IN SPOTS.

ALBUQUERQUE - THE MARKET IS VERY COMPETITIVE BUT RELATIVELY STABLE AT A VERY LOW LEVEL.

EL PASO - THE MARKET IS A REFLECTION OF WHAT IS EVIDENT IN THE ALBUQUERQUE AREA.

OTHER THAN THE ABOVE, THERE IS LITTLE NEW TO REPORT THAT HAS NOT BEEN COVERED BEFORE

GA OP END

GPPW PORT
P

GP 66 DI(G-P)-730

EXHIBIT G-P 730

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION DATE September 15, 1969

TO Mr. H. E. Sand LOCATION Portland

FROM R. C. Schmidt LOCATION Los Angeles

SUBJECT Market Letter 9-12-69

Sales volume this week was below average. We are quite active delivering material; but the dollar value is being reduced by lower prices being obtained on almost all product lines. Heavy gypsum sales are also a factor.

Out-of-warehouse prices on fir plywood are horrible. U.S.P. was out with a $60 list early in the week; Independent jobbers are running scared and are following suit. Roseburg was calling our branches offering $60 wood. I am sure we were close to the bottom of their list, indicating competition has a jump on us so far as pricing on fir plywood, which makes it difficult for us to compete and maintain reasonable gross profits on sales.

Gypsum prices are anything but stable. We are back to an individual order pricing method where the price depends on how bad and what degree competition wants the business. We find all kinds of deals in the market being offered to not only the large buyers but even the small accounts buying only one car.

The Lauan situation is becoming more critical. P.W.P., Evans, and Watson are scrambling for warehouse space in Southern California to store their enormous inventories. There is every indication of a drastic drop in pricing, similar to fir plywood. Evans is offering pre-finished Lauan to the dealers at $72.

The outlook for building is not all bad in the region; but we find a very pessimistic attitude developing that indicates to us a continuing downward trend the remainder of this year.

Regards,

RCS:mb

cc: W. E. Hunt
F. V. Langfitt
G. Wilson
Jens Jorgensen
O. E. Burch
J. E. Berger
Regional Managers

SEP 16 1969

GP 66 DI(G-P)-738

EXHIBIT G-P 738

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION DATE September 5, 1969

TO Mr. H. E. Sand LOCATION Portland

FROM R. C. Schmidt LOCATION Los Angeles

SUBJECT Market Letter 9-5-69

The sales volume was not up to expectations. With the end of our strike, we looked for much improved conditions; these did not materialize. Lack of confidence in the fir market has buyers running for cover. Fir plywood prices on out-of-warehouse sales are grim; we gain a step and then seem to fall back two.

New Flamet panel samples were received; looked excellent; and should be a real winner in our market. The Fall Promotion Program is generating a great deal of activity. Our paneling sales are about the only encouraging movement in individual product lines.

Gypsum sales have continued about the same level. We did sign a couple of nice trucks, but these will be for later delivery. Pricing is anything but good. As yet, we have not seen any of our announced increases really holding. I think the only one who has any confidence in the pricing of gypsum is the buyer; he is confident it is not going up.

The outlook for September, a better month than August, but will not produce standards unless something unforeseen develops right suddenly.

Regards,

RCS:mb

cc: W. E. Hunt
F. V. Langfitt, Jr.
G. Wilson
Jens Jorgensen
O. E. Burch
J. E. Berger
Regional Managers

SEP 8 - 1969

SS(S-P)-769

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE October 3, 1969

TO Mr. T. E. Sand — LOCATION Portland

FROM Stanley S. Dennison — LOCATION Atlanta

SUBJECT Southeastern Market - Week Ending October 4, 1969

EXHIBIT G-P 769

Business continued to be hard to find. The severe weather the first two days of this week, caused by a tropical depression out of the Gulf, seemed to be the primary cause of a further decline in business. Unfortunately, this is the second week we have had this condition.

It seems it is almost impossible to find the bottom of the gypsum market. Competition seems to have a new lower price practically every week.

Out of warehouse business should improve in one segment. Big industrials, such as National Homes, are in the process of drastically reducing their inventory and encouraging their purchasing agents to buy out of warehouse if price differential is not too great.

October is going to be an up hill fight for both volume and profit. If we have some fairly good weather the balance of the month we should come out allright since this is a five week month.

Sincerely,

Stanley S. Dennison

SSD:bjs

CC: Mr. J. R. Berger
Mr. E. P. Brown, Jr.
Mr. O. E. Burch
Mr. W. H. Hunt
Mr. F. V. Langfitt
Mr. E. S. Marcoreau
Mr. Winston Purifoy
Mr. Glenn Wilson
All Regional Managers

OCT 6 - 1969

SS(S-P)-816

GEORGIA-PACIFIC

EXHIBIT G-P 816

INTERDEPARTMENTAL COMMUNICATION

DATE February 20, 1970

TO Mr. T. E. Sand — LOCATION Portland

FROM Stanley S. Dennison — LOCATION Atlanta

SUBJECT Southeastern Market - Week Ending February 21, 1970

Sales were reasonably good this week. Bad weather at the beginning of the week caused some decline but this was more than made up for by the surge of business from mid week on. Prices held about where they were last week on plywood.

Gypsum business is harder to come by each day and prices are continuing to fall. The decline in housing starts has caused our competitors to seek business in areas where they normally do not concentrate. This has resulted in small lot buyers being offered the very lowest prices in the market. In turn, the large volume buyers are demanding, and getting, a further price reduction.

Many of the mobile home manufacturers still have acres of unsold mobile homes and are on a very restricted production schedule. There was a little more optimism this week among this group because mobile homes had started moving a little better off the retail lots.

Sincerely,

Stanley S. Dennison

SSD:bjs

CC: Mr. J. R. Berger
Mr. E. P. Brown, Jr.
Mr. O. E. Burch
Mr. W. H. Hunt
Mr. F. V. Langfitt
Mr. E. S. Marcoreau
Mr. Winston Purifoy
Mr. Glenn Wilson
All Regional Managers

FEB 23 1970

DI(6-P)-822

GP-94

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION — DATE April 6, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM Mr. W. D. Brooks — LOCATION Dallas

SUBJECT: WEEKLY MARKET LETTER # 14 FOR w/e 4/3/70

EXHIBIT G-P 822

(A)

	Budget	Shipped		%
Acme	3923	3572	-351	91
Blue Rapids	408	289	-119	71
Total	4331	3861	-470	89

(B) Building trades shut down in Kansas City due to cement workers and the plasterers out on strike 4/1. On 3/30, Kansas City had another 5" of snow anyway which shut down operations. Memphis has building trades on strike: Carpenters, ironworkers, plubers etc. Teamsters slowdown this week curtailed some activity; wet snow and rain has kept many job sites simply bogged down in mud thus preventing movement of building materials to jobs hence supply lines and inventories are full. Cement companies here are complaining their silos are full and stagnant due to lack of housing starts; Ft. Worth paper reported housing 35% down from a year ago.

(C) Texas market now ranges from a reported $26.00 range to $28.00 firm, isolated $29.00 in lower valley. Oklahoma City had some $23.50 reports, with Tulsa area ranging $29.50 to $31.00 at small yards. Diorka has trucked into Bryan, Texas (close to Houston) at $29.00; Celotex has trucked Beaumont at $28.00. Our salesman in Houston saw a list of prices and a phone number at Beam Lumber Company in Houston, a small neighborhood yard. When he left, he called the number - it was National Gypsum Company quoting $28.00. Large buyers undoubtedly do better.

During this week, orders were booked at Acme in excess of shipments which should reflect relief at mine.

WDB:jc

SUBMITTED

APR 9 - 1970

DI(6-P)-826

GP-94

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION — DATE March 30, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM Mr. W. D. Brooks — LOCATION Dallas

SUBJECT: WEEKLY MARKET LETTER # 13 FOR w/e 3/26/70

EXHIBIT G-P 826

(A)

	Budget	Shipped		%
Acme	3923	3622	-301	92
Blue Rapids	408	626	+218	153
Total	4331	4344	+ 85	98

(B) Rainy weather prevailed early in week - jobsites muddy.

(C) Competitive pressure continues. U S G took a job in Jackson, Mississippi trucking 3/8" lath at $28.00 and protected thru life of hospital job; plaster with it at prices below ours. Republic still pressuring $28.00 in Dallas - $29.50 in Shreveport. They cannot afford this.

W. D. B.

WDB:jc

SUBMITTED

APR 2 - 197

EXHIBIT
G-P 867

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE April 10, 1970

TO Mr. R. E. Sand

LOCATION Portland Office

FROM A. H. Wright

LOCATION Seattle

SUBJECT MARKET REPORT - WEEK ENDING APRIL 10, 1970

Sales activity continues at about the same pace as previous weeks.

Sheathing movement has improved, but prices on exterior continue extremely competitive. Weyerhaeuser is on their "give away program" on 1/2" CD Exterior. Sanded profits are somewhat better which helps the overall plywood picture. Inventories on sheathing are good, but sanded stands at 45 days or under.

It was necessary to again adjust prices downward to remain competitive. S.P.I. is the leader in this downward trend. It seems they backed up to their old list and offer six - five off for trade discounts. This made it necessary for us to adjust prices 3 to 5%. It is questionable if this is the bottom.

Continue to be optimistic for April.

AHWrr

cc: Mr. W. E. Hunt
Mr. F. T. Langfitt, Jr.
Mr. O. E. Wilson
Mr. O. E. Burch ✓
Mr. J. E. Berger
Regional Managers

APR 11 1970

EXHIBIT
G-P 868

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE April 3, 1970

TO Mr. R. E. Sand

LOCATION Portland Office

FROM A. H. Wright

LOCATION Seattle

SUBJECT MARKET REPORT - WEEK ENDING APRIL 3, 1970

This week sales volume has been better than it has for some time.

We continue to have problems when we try reaching as high as current Crow's on fir plywood. Most of our competitors are content in basing their prices on what they paid rather than market. Low inventories, however, will change the picture soon.

Gypsum prices are terrible. Every day or so we find another $3 in the market. Sales only fair.

Paneling sales continue to be the bright spot as all users are showing improvement. It appears all branches will make their "bid percentage" on Discussion V.

Outlook for April, much improved.

AHWrr

cc: Mr. W. E. Hunt
Mr. F. T. Langfitt, Jr.
Mr. O. E. Wilson
Mr. O. E. Burch ✓
Mr. J. E. Berger
Regional Managers

APR 6 - 1970

EXHIBIT
G-P 878

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE May 18, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM C. J. Dorsey — LOCATION Atlanta

SUBJECT Weekly Market Letter for W/E 5-14-70

	Brunswick	Marietta
A. Weekly Budget	3,385 MBF	169 Tons
Weekly Shipments	4,711 MBF	368 Tons
	+1,326 MBF	+199 Tons

B. Weather conditions - excellent.

C. Price erosion in the Southeast Region apparently starts out at the Memphis, Tennessee area and by National and USG shipping out of New Orleans. Miami came through with a large job for this week. Atlanta seems to be picking up in volume.

C.J.D.

CJD:bjs

CC: Mr. J. J. Castevens

MAY 20 1970

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 1, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM Mr. W. D. Brooks — LOCATION Dallas

SUBJECT WEEKLY MARKET LETTER #22 FOR w/e 5/28/70

EXHIBIT
G-P 890

(A)

	Budget	Shipped		%
Acme	4230	4850	+620	114
Blue Rapids	462	610	+148	132
Total	4692	5460	+768	116

(B) Whole Southwest plagued with thunderstorms and excessive rain. Acme quarry shutting down 6/1 for 2 weeks for repairs - will work off rock stock pile.

(C) Flintkote bidding drywall jobs installed in Dallas, bids are in the name of Don Curtis, local Flintkote salesman, to furnish and hang board.

Houston reports that Bernie Kurtz (Home Capital Lumber Company) has price protection from National Gypsum thru the end of the year at today's $25.00 - $26.00 level.

Memphis reported on 5/26, Howell Sales Company in Cleveland, Mississippi bought a truckload from National at $31.50. By 5/28, Bierks went down to $31.00.

WDB:jo

JUN 2 - 1970

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 8, 1970

TO Mr. O. E. Burch

LOCATION Portland

FROM Mr. W. D. Brooks

LOCATION Dallas

SUBJECT WEEKLY MARKET LETTER #23 FOR w/e 6/6/70

EXHIBIT G-P 891

(A)	Budget	Shipped		%
Acme	4230	5162	+932	122
Blue Rapids	462	439	- 23	95
Total	4692	5601	+909	119

(B) Both plants were down 5/30 hence shipped 5 days each.

(C) Kansas City building trades still on strike - TNS threatening not to build new base in Kansas City due to strikes.
Celotex moving in on Brown Building Materials - last week they had 3 cars in to our 2, this week they had 2, we had 1.

National Gypsum dropped prices $1.00 in Memphis area which sold some board.
Ft. Worth reported that one of the major gypsum producers told Castleberry Lumber not to worry about a price increase, his price was good for another 60 days. Castleberry's comments were "They don't think much of their price increase".

Shreveport advises that Economy Lumber Company in Texarkana said the Republic salesman was in (right after Economy Lumber got Republic's price announcement letter) saying there really wasn't going to be any price increase. Conversely, U S G and National are soliciting price protection on any and all jobs.

Houston reports U S G talking up price protection.

WDB:jc

JUN 9 - 1970

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 22, 1970

TO Mr. O. E. Burch

LOCATION Portland

FROM Mr. W. D. Brooks

LOCATION Dallas

SUBJECT WEEKLY MARKET LETTER #25 FOR w/e 6/18/70

EXHIBIT G-P 893

(A)	Budget	Shipped		%
Acme	4230	4858	+ 628	115
Blue Rapids	462	432	- 30	94
Total	4692	5290	+ 598	104

(B) Weather ideal, building conditions perfect, dealer inventories piling up- hence resistance in the market which could tend to cause some softness. Rate of building not increasing commensurate with demand and the inventory of unsold housing is a retardant to starting new.

(C) Houston reports National Gypsum salesmen telling the trade not to worry about any price increase, National is protecting today's price thru year end. As a result, National has obtained orders from accounts they normally haven't sold, such as Dome Capital (Bernie Kurie) who says he has National at $34.00. U S G has protected their regular customers but not to the extent of National.

Lubbock reports Republic active which is indicative of lower pricing such as Jack Fry who said last week he was buying Republic at $23.00.

New Orleans quoted a job via truck at $34.00. Learned later Celotex was $3.00 to $4.00 under us but the job went for $28.00 on the 1/2" and $42.50 on the 5/8" Firestop, they believe to National.

Little Rock has a thus far isolated instance of Bierks quoting H. H. Pierce Lbr at Clarksville, Ark.: 1/4" at 23.50, 3/8" at 25.50 and 1/2" at 27.50.

WDB:pc

JUN 23 1970

GP 69

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE June 26, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM Mr. W. D. Brooks — LOCATION Dallas

SUBJECT WEEKLY MARKET LETTER # 26 FOR w/e 6/25/70

EXHIBIT G-P 894

(A)	Budget	Shipped		%
Acme	4230	5297	+ 1067	125
Blue Rapids	462	874	+ 412	189
	4692	6171	+ 1479	132

(C) National Gypsum has been reducing prices steadily and booking orders including protecting at their lowered prices.

Houston: National took McCoy below $25.00 level. McCoy has been a GP acct.

Memphis reports National price protecting virtually everything they can find, trucks at $30.00 to $31.00.

Little Rock: Last week it was Dierks at $27.50- now it's National reported at $27.50 at Stone Lbr. in Harrison, Ark., and H. E. Pierce at Clarksville, Ark.

New Orleans salesman overheard Celotex salesman quote Builders Center in Baton Rouge $29.50 on 1/2"- and again at Currie Lbr., also in Baton Rouge. National quoted 3 dealers in Hammond, La., trucks at $30.00.

Shreveport found National at the R. O. Martin yards, the Howard yards, both of which are line yards and both under $26.00. Davidson Sash & Door delivering in this market 1/2" at 29.00, 3/8" at 26.00. This is below their prices in Lafayette of 2 weeks ago.

WDB:pt

JUN 29 1970

GP 69

GEORGIA-PACIFIC

EXHIBIT G-P 897

INTERDEPARTMENTAL COMMUNICATION

DATE June 15, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM C. J. Dorsey — LOCATION Atlanta

SUBJECT Weekly Market Letter for W/E 6/11/70

		Brunswick	Marietta
A.	Weekly Budget	3,381 MSF	169 Tons
	Weekly Shipments	3,566 MSF	336 Tons
		+181 MSF	+167 Tons

B. Weather conditions - Good.

C. Prices in Alabama, Chattanooga and Atlanta dropped to $31.00, $31.00 and $32.00 respectively. U.S.G. and Dierks very active in Alabama and National in Tennessee. It is rumored that National Gypsum has given their salesmen "Carte Blanc" on price cutting.

C.J.D.

CJD:bjs

CC: Mr. J. J. Castevens

JUN 17 1970

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION — DATE: July 17, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: Mr. W. D. Brooks — LOCATION: Dallas

SUBJECT: WEEKLY MARKET LETTER #29 FOR w/e 7/16/70

EXHIBIT G-P 916

(A)

	Budget	Shipped		%
Acme	4230	4272	+ 42	101
Blue Rapids	462	282	-180	61
Total	4692	4554	-138	97

(B) Bricklayers strike in Dallas has curtailed commercial jobs. Blue Rapids out of clay needed to make 1/2" Firestop which lost us 4 cars so far this week. Acme out of sheathing all week and car of emulsion was due to leave Chicago this week which means another week or two before we have sheathing. This has cost some orders, both straight and mixed.

(C) National Gypsum prime deterent to price stability now, they are taking what orders are around while U S G and G-P hold to new list. Memphis advised that an employment agency called saying they had 4 ex-National salesmen looking for jobs as a result of National's cutback.

Houston - National is $27.36 which is an improvement over their previous $24.00 and $25.00 level.

Shreveport - National quoting below $26.50 on 1/2" and $34.57 on 1/2" FR, taking jobs for future delivery. Dierks quoted $30.00 in Monroe, Louisiana with next order to be $31.50.

New Orleans - National again, trucks at $32.00 - $32.50, cars at $30.00.

Lafayette - Temple at $30.50 in trucks, up from previous $28.50.

To end on a happy note, 9 branches have a known 23 orders at the new price list.

WDB:jo

W. D. B.

JUL 20 1970

GEORGIA-PACIFIC

EXHIBIT G-P 929

INTERDEPARTMENTAL COMMUNICATION — DATE: July 13, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: E. E. Raybuck — LOCATION: Detroit District

SUBJECT: Market Letter Week Ending July 9, 1970

(A)

Standard	1846
Shipments	1703
	-143

Sales 83% Total Plant Production

(B) Southern Michigan plumbers strike continues to halt new construction. Generally Ohio is still doing well with no major labor problems.

(C) We forwarded one Grand Rapids Gypsum price increase announcement, attached is another price for Lower Michigan counties showing 1/2" board at $45.00. Also, attached is a U.S.G. price increase sheet on Plaster Products. Please note that U.S.G. has not increased their volume bag goods at this date similar to ours effective today.

No other price information is available at this date. We will keep you posted daily as information develops.

E. E. R.

EER/ek

cc: Mr. R. C. Newman - Franklin Park

JUL 14 1970

UNITED STATES GYPSUM COMPANY

101 SOUTH WACKER DRIVE · CHICAGO · ILLINOIS 60606

June 22, 1970

TO OUR CUSTOMERS
in the Area Described Below

SUBJECT: Gypsum Specialty Plaster Price Change

Effective with shipments made on and after July 1, 1970, our prices on the following Gypsum Plaster Products are increased as shown below.

Product	Price Increase
AUDICOTE Acoustical Plaster	$ .20/bag
Keenes Cement - 100# Pprs.*	2.00/ton
ORIENTAL Interior - Exterior Stucco	2.00/ton
White Moulding Plaster - 100# Pprs.*	1.25/ton
Local Moulding Plaster - 100# Pprs.*	2.00/ton
Accelerator	.025/lb.
Retarder	.035/lb.

*Shipments in 50# Pprs. will be priced at $2.00/ton over 100# Pprs.

Cash discount and terms of sale are unchanged. Our policy is that prices on jobs will not be protected.

Yours very truly,

UNITED STATES GYPSUM COMPANY

AREA

States east of and including North Dakota, South Dakota, Wyoming (eastern portion), Colorado, Oklahoma, Arkansas, and Louisiana.

A

PRICE BULLETIN

#3

GRAND RAPIDS GYPSUM COMPANY
Post Office Box #1674
Grand Rapids, Michigan
a.c. 616 459-5183

To Destinations in

MICHIGAN Counties of Genessee, Macomb, Oakland, Washtenaw and Wayne

Per MSF	50MM Min. Truck 40MM Min. Rail
3/8" Climax Gypsum Wallboard	$ 41.00
1/2" Climax Gypsum Wallboard	45.00
5/8" Climax Gypsum Wallboard	54.00
1/2" Climax Flame-Chek III Wallboard	54.00
5/8" Climax Flame-Chek III Wallboard	63.00
3/8" Climax Gypsum Backer Board	40.00
1/2" Climax Gypsum Backer Board	44.00
5/8" Climax Gypsum Backer Board	53.00
3/8" x 4' Climax Woodgrained Wallboard	98.00
1/2" x 4' Climax Vinyl Panel Wallboard	198.00
1/2" Climax W/R Wallboard	95.00
1" x 24" GRG "V" T&G Gypsum Coreboard	120.00
3/8" x 16" x 48" Climax Lath	37.00
1/2" x 16" x 48" Climax Lath	41.00
3/8" x 24" Climax L. L. Lath	42.00
1/2" x 24" Climax L. L. Lath	46.00
1/2" GRG Rapid Plaster Base	46.00
1/2" GRG Climax Sheathing	49.00

Insulated (foil-backed) products will be priced at a standard $20.00 per MSF markup over same product without foil.

Cash discount, as shown on the invoice, may be deducted for prompt payment.

STOPOVER SERVICE - Minimum 12½ ton per stop for trucks. Minimum 10 ton per stop for cars. Add $1.00 per MSF to above prices.

GYPSUM WALLBOARD PRICES

DX(G-P)-963

EXHIBIT G-P 963

GP 66

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE August 17, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: Mr. W. D. Brooks — LOCATION: Dallas

SUBJECT: WEEKLY MARKET LETTER #33 FOR w/e 8/13/70

(A)

	Budget	Shipped		%
Acme	4930	3731	-1199	76
Blue Rapids	615	429	- 186	70
Total	5545	4160	-1385	75

(B) Kansas City brought in Federal mediators to settle building trades strike - then the Teamsters went on strike.

Jackson Branch had 3 of their warehousemen quit because of handling gypsum board. Branch has to haul and stock jobs themselves due to being no board haulers in Jackson. This will have a detrimental effect on gypsum sales.

(C) Neither Jackson nor Memphis can find any evidence of anyone announcing a price increase in these specific markets. D. S. Mahaffey Lumber Company in Branton, Mississippi reported he bought a truckload from National on 8/12 for $34.20. National reported to have quoted a T/L dealer in Tupelo, Mississippi 3/8" at 34.00 which is our C/L price.

Ft. Worth Branch is still off the market. U S G still at 25.14, other manufacturers in same range. We are 26.00 and no orders. U S G salesmen say they are meeting Republic.

Kansas City finds National and Celotex setting lower price, U S G meeting it. Springfield area stayed at 26.00, we are off this market also.

Oklahoma City - takes 25.50 to secure orders - U S G went in at 25.50.

WDB:jc

ADMITTED AUG 19 19..

DX(G-P)-964

EXHIBIT G-P 964

GP 66

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE August 10, 1970

TO: Mr. O. E. Burch — LOCATION: Portland

FROM: Mr. W. D. Brooks — LOCATION: Dallas

SUBJECT: WEEKLY MARKET LETTER #32 FOR w/e 8/6/70

(A)

	Budget	Shipped		%
Acme	4930	4003	-927	81
Blue Rapids	615	701	+ 86	114
Total	5545	4704	-841	85

(B) Neither National nor Dierks moved upwards on prices on 7/1/70 hence, they have secured the bulk of the available business. We received reports from both Shreveport and Memphis areas that National's plants are full; Shreveport salesman reported telling dealers he's got enough jobs sold to last thru year end.

Memphis has consistently reported that dealers have not received any price announcement yet except ours. On Friday 8/7/70, U S G phoned Standard Building Materials they were planning an increase to $38.00 C/L, $40.00 T/L on 8/10 and that a letter would follow. National hasn't mailed yet either nor said anything about increasing.

In other markets, U S G continues to deviate from their list, Dierks remains under the market. Specific U S G deviations found thus far are, for example:

Dallas: Sheathing still at $32.00, 1/2" T&G at $66.00, 5/8" PS at $40.50.
Oklahoma City: 1/2" at $25.50
New Orleans: 5/8" PS $42.00
Kansas City: In Springfield, Mo. area, 3/8" at $23.00, 1/2" at $26.00

WDB:jc

ADMITTED AUG 12 1970

DX(G-P)-965

GP-GG

GEORGIA-PACIFIC

EXHIBIT G-P 965

INTERDEPARTMENTAL COMMUNICATION

DATE August 3, 1970

TO Mr. O. E. Burch — LOCATION Portland

FROM Mr. W. D. Brooks — LOCATION Dallas

SUBJECT: WEEKLY MARKET LETTER #31 FOR w/e 7/30/70

(A)

	Budget	Shipped		%
Acme	4930	4200	-730	85
Blue Rapids	615	619	+ 4	101
Total	5545	4829	-716	87

(B) Acme on sheathing run. Dealer's inventories still adequate after rather substantial buying prior to 7/1/70 increase. U S G's surprise reduction in price has caused some consternation because the market did expect an increase and did accept it. Evidence of this was some activity at the 7/1 list. Now, U S G has caused a chaotic feeling to prevail, once again stirring the doubt that they will increase in fact in September.

(C) U S G has deviated from their list. For example. Houston found sheathing being quoted at $33.00 to Oldham Lumber, Bryan Building Products and Stow Crockett Lumber; 5/8" Firestop at $38.00 (list is $42.00, metro Houston being $41.00). McCoy Building Products reports the $23, $24, $25 on 1/4", 3/8", 1/2" as originally found 7/23/70. Just prior to U S G's drop, Houston had seemed to stabilize on $29.65 as the low price to large buyers varying on up to $32.00 to the small rural yard.

Springfield, Missouri is on $26.00 level, held that by National and Dierks who didn't go up 7/1.

U S G's distributor in Lufkin, Texas, Patrick, is selling Sheathex to Mobile Home trade at $62.00 delivered in small quantities by Patrick's truck from Patrick's warehouse. This will force our out of warehouse prices downwards.

New Orleans reported Currie Lumber Company, Baton Rouge advises he can buy at 28, 29, 30 and 47 on 5/8" Firestop. As these are $2.00 off U S G's new list, we didn't meet it.

Ft. Worth reports U S G's price on Sheathex is $38.00 in trucks. Castleberry Lumber Company (Ft. Worth) advises U S G has 1/2" board at $25.14 less 2% C D.

WDB:jo

AUG 5 1970

GEORGIA-PACIFIC

EXHIBIT G-P 1010

INTERDEPARTMENTAL COMMUNICATION

DATE October 9, 1970

TO Mr. Stanley Denniss — LOCATION Portland

FROM F. K. Bohleicher — LOCATION Clifton

SUBJECT: Market Report -- Week Ending October 9, 1970

We have had a good week but margins have suffered which is usual under the circumstances.

Weather-deal sales are improving but not without a certain amount of static relative to service and inability to get quick answers from Barberton. Much of this is due to our general lack of product knowledge and the need to devote an inordinate amount of time to the details on every transaction.

Gypsum sales have been active and up to standard. Prices are terrible.

We have ordered stude at a number of branches and anticipate good results.

October has started well and except for next week which contains a union holiday, we look for excellent sales for the balance of the month.

F. K. B.

cc: Mr. Harold Sand
Mr. Frank Langfitt, Jr.
Mr. Jens Jorgensen
Mr. Glenn Wilson
Regional Managers

GI(G-P)-1019

EXHIBIT G-P 1019

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE November 9, 1970

TO Mr. O. B. Burch — LOCATION Portland

FROM L. E. Kaboos — LOCATION Franklin Park

SUBJECT Weekly Market Letter - w/e 11/6/70.

A) Weekly Standard 4,170
Shipments 3,496
- 674

B) Reasons for variations -- normal seasonal slowdown as well as generally depressed business conditions.

C) We are pleased to report that St. Louis placed 4 carloads and 31 truckloads last week which is about 1/3 of their monthly standard.

In the Iowa market we received reliable information that Grand Rapids Gypsum offered to sell one of our customers 5/8" Firestop at $44.00. Iowa Supply placed an order for two cars the first week of November and does not have to pay until February. Our list is $51.44.

It is reported that in some parts of Indiana there is a $36.00 board price.

A reliable customer informed us that they have been offered board in the Chicago market at $33.00/M from Celotex and Grand Rapids Gypsum where the cheapest price is $34.20.

Celotex is offering board at $33.00 in St. Louis.

We sent you a copy of a Celotex letter dated November 4, 1970 wherein they state that their price effective January 1, 1971 will be from 6 to 10% higher than their current prices.

We are embarking on a new program in the Chicago North Branch to accelerate gypsum sales out-of-warehouse and expect to have a marked improvement by the end of the year.

Joint system pricing reports are very but it seems to us that the large volume buyers are either filled up or have some price protection and the not-so-chary buyers have been quoted increased prices but it is difficult to find anyone who has actually bought.

Fort Dodge truckloads are on the increase but we have had several instances this past week where we have not shipped standard yet have had to delay orders with the danger of losing them.

RECEIVED BY
NOV 12 1970
GYPSUM DIVISION

LEK/lfl

L. E. K.

cc: Mr. P. O. Kaufmann

EXHIBIT G-P 1029

GEORGIA-PACIFIC

INTERDEPARTMENTAL COMMUNICATION

DATE November 17, 1970

TO Mr. O. B. Burch — LOCATION Portland

FROM W. T. Ellis — LOCATION Atlanta

SUBJECT Weekly Market Letter W/E 11-12-70

A. Weekly Budget 3,940 MSF
Weekly Shipments 4,524 MSF
+584 MSF 115%

B. Weather is good in all areas except for some rain. Cool weather is on the way.

C. Atlanta accounts are not buying at $36.00 list, but old price of $34.00. This is due to price protection that was given by competition at the $34.00 level. This is spreading very fast throughout entire branch trading area to anyone buying in C/L or T/L quantities. No published $34.00 list at this time.

Augusta market also very unstable, as factors are at $34.00 level. We are meeting this price on directs out of the mill and expect U.S.G. to publish at most anytime.

Alabama market is also lower as U.S.G. has published a $34.00 list in the areas covered by the Birmingham and part of the Montgomery branch trading areas. We have adjusted to meet this competition.

Joint system prices throughout the state of Florida have not increased as we had hoped for with our October 21st announcement. Kaiser Gypsum seems to be the leader.

* No indication as yet from any other gypsum company regarding any price increase January 1, 1971.

Regards,

W. T. E.

WTE:hja

cc: Mr. J. J. Castevens

RECEIVED BY
NOV 19 1970
GYPSUM DIVISION

* P.S. U.S.G. HAS ANNOUNCED EFFECTIVE JAN. 4, 1971. DETAILS WILL FOLLOW.

W.T.E.

DX(G-P)-1114

EXHIBIT G-P 1114

August 1968
Washington/HP Looney

-3-

5. FIBERBOARD PRODUCTS

Decorative Tile & Panel Items (including Whispertone)

August is historically at the bottom of our sales curve on decoratives. We are slightly ahead of target on tile and panel items but, as previously forecasted, you can't factor in any impressive growth on this line. In short, we're having trouble maintaining a position in the marketplace. Years ago we had great promotion around a mediocre product - - now we have a pretty good product but no advertising or promotional support. Let's get these two gears meshing properly.

Roof Insulations

The $72.00 price still seems to be holding well with only scattered reports of lower prices. The foam insulations especially Urethane are becoming a larger factor in the roof insulation business every month especially in the areas which promote electric heat. Roofers report no serious problem with the product and we should give serious consideration to bonding our asbestos felt roofs over Urethane tims deliveries on roofboard still is a problem, but with Bird on strike and Barrett 2-3 weeks behind in shipments we are getting some business.

Our salesmen are vigorously supporting the new pricing program, with especially gratifying results. The ratio of new price business to protected business is increasing slowly but noticeably.

6. GYPSUM PRODUCTS

Same comments as last month apply - price chaos; overcapacity; further contaminated by the prospect of additional capacity. The old hands in this business (USG and National) are getting more nervous day-by-day as Celotex, Flintkote, Georgia Pacific, Celotex, JM, Grand Rapids and Robertid reach for the pencil sharpener.

7. ACOUSTICAL PRODUCTS

Business continues to be good with the 4-5 week shipping promise on panels, the biggest problem at the moment. The promotion on Particle Guard LPC was well received and all salesmen report a great deal of interest was generated by the mailing and many "follow up" cards received.

119906

Our extremely strong position in New York City is alarming competition, and 'disaster level' prices are being quoted by competition in an attempt to shoot us out of the middle.

8. CHEMICALS

No comment.

9. FLOORING

No responsibility for the item.

C. SERVICE

Very good at all locations with the exception of Alexandria Plant.

D. QUALITY

Bel Air complaints (delamination) cost the District heavily in August. We contracted for three replacements that will cost $11,000. Other than this specific problem and routine Tapecoy rehabilitation jobs we are not in serious jeopardy qualitywise.

DX(G-P)-1120

EXHIBIT G-P 1120

Western Gypsum Department
San Francisco, Calif.

November 13, 1968

C. F. LOCKWOOD - PINEHURST

CC: F. E. Butcher - NEW YORK
W. L. Vanderbeek - PINEHURST
R. C. Jenkins - SPO
R. E. Comma - SPO

SANTA CATA - WESTERN GYPSUM OPERATIONS

This refers to your letter to R. E. Comma wherein you requested certain information regarding shipments into the Los Angeles district.

Unfortunately, we are in the throes of a complete change in the distribution procedure for gypsum products brought about by competitive practices. The Georgia-Pacific distribution center direct sale policy to contractors and dealers via their own trucks, either to the job site or to a dealers warehouse, has radically changed existing channels of distribution.

In the Los Angeles market, the distribution pattern now being utilized by G-P has forced other major competitors to revise their thinking in relation to the distribution and sale of gypsum products. As an illustration, U.S.G. has arranged to job deliver and stock gypsum board in both residential and commercial buildings. To date, they have not allowed shipments of less than full truckload amounts nor does any other major competitor in the Los Angeles market allow LT/L shipments. This does not apply to G-P who will deliver any amount to job site or dealer warehouse from 2000 feet upward. However, in the Bay Area, U.S.G. is competing with G-P, in that they deliver a minimum of 4,000 feet rather than full truckloads. This method of delivery is limited to the San Jose-Santa Clara areas and, to date, has not spread. I believe what has happened is that U.S.G. has determined that the cost of offering such services is prohibitive and also is limited in the area that can be serviced out of a single warehouse.

120021

I believe that by 1972, the method of distribution will be that all manufacturers will be spreading out with company owned warehouses or customer owned warehouses offering job delivery in minimum quantities. I also believe that the manufacturer will be reimbursed for this service, but will bear the responsibility for credit as well as delivery.

As you can see, it will not be easy to project 1972 delivery methods, under the circumstances mentioned above. Nevertheless, based on my own projection, I

DX(6-P)-1120

would estimate that all material shipped into the Los Angeles market, and possibly all major markets, will be handled out of local warehouses or by truck direct from a warehouse or plant location. Unless we make arrangements to deliver by rail direct from Apex and have the facilities to handle local deliveries, warehouses will be more important in 1972 than in 1968.

To answer the question raised in your letter, the following is my best projection, based on todays market.

Assuming there is no change in the handling of wallboard, then 100% of all shipments into Los Angeles would be by truck. I would also anticipate by 1972 that 100% of shipments into all areas of California, including San Diego, would be by truck. The reason for the truck delivery is that 95% of all gypsum sold in 1972 will be direct to job site and, for that matter, stocked at job site. It is conceivable that some trucks can be shipped from Apex, but at the present time our requirements on orders are 6 to 8 hours notice prior to delivery, which would eliminate direct shipments from Apex in 85% of the cases. In addition to job delivery, the majority of the material, possibly 85%, would be sold to contractors and 15% to gypsum rehandlers. I would also estimate that all of the dealers buying from us would also require pickup at warehouse or plant because the trucking revenues are really the only revenues the dealer can make a profit on. I believe, however, that all manufacturers probably will have to go to their own trucks or contract haulers since customer trucking is an expensive way to deliver goods. If the dealer is making a profit on trucking, then the company should be able to make the same profit.

Today, most loads that leave our plants in trucks are minimum 40,000 lb. to 50,000 lb. with the average being 45,000 lbs. These loads are delivered to job site and are transferred to smaller trucks for job stocking.

120022

We are now engaged in a marketing concept which would involve numerous distribution centers in major markets and then offering local delivery to the contractors of 8,000 lbs. minimum direct to the job. If this concept is a reasonable solution and we can obtain the necessary customer warehousing facilities, then it is our hope that we can rail into the distribution centers and use smaller trucks to deliver to job site. In effect, what we are doing is completely replacing the rehandler and servicing the accounts from the plants direct to the job and, for that matter, directly into each unit. As of this writing I do not know whether we will be successful, so therefore I am not in a position to determine what percentage of sales will go by rail or truck from producing locations. Perhaps it would be best to delay this study for 3-4 months. At the end of this period we will know if the distribution concept of marketing gypsum products can be achieved. If so, then I would estimate 80% of our shipments to be made into distribution centers by rail and 20% by truck direct from warehouse locations. The major problem we face concerns profit and whether we can afford the luxury of such services unless we are reimbursed by our customers.

To be more specific in relation to your inquiries, under the present distribution of gypsum products, we could not ship more than 15% of the total shipments by truck or rail out of Apex due to the customer requirements of timed job deliveries.

J. A. MARIAN

JAM:ca

DX(6-P)-1125

EXHIBIT G-P 1125

- 2 - Business Conditions Rep. Fort Worth District October, 1969 Pottery

3. Asbestos Cement Products

All of our territories continue to report activity on Asbestos Roof Shingles. However, we do not have some of the large jobs this year that we had last year. Siding shingle sales remain off due to the lack of new construction in South Texas, which is our largest market for this item.

Flemboard sales are up somewhat; however, we continue to receive reports from our two Oklahoma territories that National Gypsum's Wood Rock is doing well in their market and taking business from Flemboard.

Corrugated Transite activity remains slow. Corrugated Bulkheads on the Lake Livingston project are moving well and we expect business from this to continue and stimulate sales on other lake projects.

We have had little activity on Transite pipe during the past month.

4. Fiber Glass Home Insulation

Reaction to our new packaging of Home Insulation runs the gamut from, "This is the greatest thing ever" to "I don't want any more material in that type packaging". There seems to be two chief problems. First, the applicator must change his method of handling the material since he now has to pump batts from the roll and any change is difficult to get across. Second, the dealer who breaks bags to sell individual rolls is very upset with the loose, bulky, elliptical roll. The advantage to us in freight saving is clear and easy to see; however, in some cases, we have not been successful in getting the dealer and applicator to see the advantages to him.

5. Insulating Board and Roof Insulation

126368

We have just received our inventory of Pirouette at Fort Worth and, therefore, are just getting underway on our promotion but all territories seem encouraged and we are hopeful of having two big months in ceiling tile sales.

Our Fence business is fair and we expect no trouble in selling our allotment for the balance of the year.

6. Gypsum

We are almost dead on Gypsum as price competition continues to take us out of one market after the other. The chief culprit in price cutting throughout the District appears to be Georgia-Pacific.

DX(G-P)-1132

DX(G-P) 1132
RETYPED FOR LEGIBILITY

Business Conditions Report
Los Angeles District - Month of May, 1970
May 25th, 1970
Page 3

Business Conditions Report
Los Angeles District
May, 1970
McTaggart

B. PRODUCT LINES CON'T.

7. Gypsum Board:

Gypsum competition continues to be fierce. We cannot compete with Georgia-Pacific with the lumber yard trade in Southern California. In Arizona prices are so low that it is difficult for us to be competitive.

The one bright spot is in Las Vegas. We are now doing business with 4 of the 6 housing tract applicators and believe we will again do some business with W. J. Thompson Co., the largest commercial applicator in the Las Vegas area.

DX(G-P)-1132

Business Conditions Report
Los Angeles District
May, 1970
McTaggart

EXHIBIT
G-P 1132

Business Conditions Report
Los Angeles District - Month of May, 1970
May 25th, 1970
Page 3

B. PRODUCT LINES CON'T.

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8. Acoustical Products:

We are not competitive when bidding large projects. Sales dropped rather drastically during May due to the Alexandria strike and, we believe we will lose 3 projects because the applicator cannot wait for our strike to end.

9. Corrulux:

Nothing to report.

10. Calcalite:

Nothing to report.

C. SERVICE

For the most part service is satisfactory.

120170

D. QUALITY

Nothing to report.

E. SALES PROMOTION/ADVERTISING

Nothing new to report.

F. [illegible] DEPARTMENT

Very satisfactory cooperation.

G. [illegible] DEPARTMENT

Nothing new to report.

[illegible] REPORT

Nothing new to report that has not been covered under previous heading above.

JM22-13

EXHIBIT G-P 1137

Dec 1970

BUSINESS CONDITIONS - CLEVELAND RPO DISTRICT - Downing PAGE 3.

MINERAL FIBER ROOF/WOOD & SIDINGS:

1. - Experienced a seasonal slow-down in the sale of items in this product line, but promotional activity continues and reports indicate we are getting specifications for sizable deliveries in 1971.

2. - Continued promotional activity on Western Shakes with displays and promotional literature being distributed to architects, dealers and applicators as required.

GYPSUM PRODUCTS:

1. - Have noted an increased promotional activity on the part of the sales force involving this product line. Although not totally competitive in many markets, our sales personnel are reporting that U-N is closer to the target on pricing and we are beginning to get consideration by accounts who have written us off as a non-competitive supplier.

2. - Georgia-Pacific continues to be our major competitor, particularly at those locations that can be serviced out of their regional warehouses.

3. - The Detroit market continues to be our most competitive market with distributors buying off the 9/1/69 list, less ten 5's. Lumber dealers in the Detroit area are buying off the same list, less nine 5's. In addition, competition is not charging for stop-off truckloads of gypsum products.

CONSTRUCTION - DEALER GRADES:

1. - Sales were seasonally down in December, but several salesmen reported renewed promotional activity in efforts to establish wholesale distributors in major marketing areas.

2. - Top-loads were understandably off due to the drop in truckloads from Waukegan.

3. - Corrulux accounts in the Manville service area have switched to competition, and we will have a considerable task to re-gain their support after the Manville strike has been suspended.

4. - Pleased to note a full truckload of Corrulux was sold to Material Distributors, Inc. at Dayton and Cincinnati. Shipment was made from Houston Plant.

PLYWOOD-ASBESTOS/WOOD (DEALER LINE):

1. - Reserved promotional activity reported in several territories with specific results in the Michigan territories.

2. - Philip Carey has become very competitive and has offered price advantages via the mis-classification and discount route.

3. - MDI at Dayton and Cincinnati have initiated a new promotional program to revitalize their [illegible] product line. [illegible] being distributed and literature being forwarded both by mail and personal delivery.

119871

EXHIBIT G-P 1423

CONFIDENTIAL

Branch Pricing

CONFIDENTIAL

Western Region
Page 2
Effective: 12-1-68
Cancels Page 2
Dated: 11-11-68(Rev.)

The following prices will apply on shipments to the branches listed below for stock purposes and on direct shipments to customers within these branch areas (as defined by the county code book) regardless of branch placing the order.

These prices do not apply on shipments to customers billed directly by the Gypsum Division. For direct billing use the appropriate "blue" delivered price sheet.

*PRODUCT - PER MSF	Dyed box cans / Dyed flat cans
1/4" WALLBOARD	$ 28.50
3/8" WALLBOARD	33.50
1/2" WALLBOARD	39.50
5/8" WALLBOARD	50.00
1/2" FIRESTOP WALLBOARD	43.00
5/8" FIRESTOP WALLBOARD	54.50
3/8" ETERNAWALL	189.50
1/2" ETERNAWALL	193.50
1, 2" TILE BACKER BOARD	84.75
5/8" FIRESTOP TILE BACKER BOARD	109.75
1" LAMINATED CORKBOARD	94.00
3/8" LATH	30.75
1/2" LATH	37.00
1/2" DENS-COTE BASE	36.50
1/2" CORE TREATED SHEATHING (A)	42.75
1/2" SOUND DEADENING BOARD	31.00

*INSULATING GYPSUM BOARD PRODUCTS (FOIL BACKED) - ADD $15.00 PER MSF TO THE PUBLISHED PRICE OF THE SAME THICKNESS OF GYPSUM BOARD.

*GYPSUM BACKER BOARD PRODUCTS - DEDUCT $1.50 PER MSF FROM THE PUBLISHED PRICE OF THE SAME THICKNESS OF GYPSUM BOARD.

NOTE A: DEDUCT $1.00 PER MSF FOR PLAIN CORE (UNTREATED) SHEATHING.

Distribution:

Branches: Anaheim (746); G-P Fabricators (752); Pico Rivera (753); L.A. Lumber Center (754); Riverside (756); San Diego (759); San Fernando (760)

Gypsum Division: Plants: Acme (240); Sigurd (246)
Sales: General Sales

CONFIDENTIAL

EXHIBIT
G-P 1455

Branch Pricing

CONFIDENTIAL

Western Region
Page 1
Effective: 12-9-68
Cancels Page 1
Dated: 11-11-68 (Rev.)

The following prices will apply on shipments to the branches listed below for stock purposes and on direct shipments to customers within these branch areas (as defined by the county code book) regardless of branch placing the order.

These prices do not apply on shipments to customers billed directly by the Gypsum Division. For direct billing use the appropriate "blue" delivered price sheet.

*PRODUCT - PER MSF	BOX CARS / FLAT CARS
1/4" WALLBOARD	$ 30.00
3/8" WALLBOARD	35.25
1/2" WALLBOARD	34.00
5/8" WALLBOARD	53.50
1 2" FIRESTOP WALLBOARD	83.00
5/8" FIRESTOP WALLBOARD	56.00
1/2" EXTERNAWALL	195.23
1 2" TILE BACKER BOARD	85.75
5/8" FIRESTOP TILE BACKER BOARD	112.50
1" LAMINATED COREBOARD	96.50
3/8" LATH	33.50
1 2" LATH	39.00
1/2" DENS-COTE BASE	36.50
1/2" CORE TREATED SHEATHING (A)	43.50
1 4" SOUND DEADENING BOARD	32.50

*INSULATING GYPSUM BOARD PRODUCTS (FOIL BACKED) - ADD $15.00 PER MSF TO THE PUBLISHED PRICE OF THE SAME THICKNESS OF GYPSUM BOARD.

*GYPSUM BACKER BOARD PRODUCTS - DEDUCT $1.50 PER MSF FROM THE PUBLISHED PRICE OF THE SAME THICKNESS OF GYPSUM BOARD.

NOTE A: DEDUCT $1.00 PER MSF FOR PLAIN CORE (UNTREATED) SHEATHING.

Distribution:

Branches: Bakersfield (747); Berkeley (748); Fresno (751); Sacramento (757); Salinas (758); San Jose (761)

Gypsum Division: Plants: Acme (240); Sigurd (246); Lovell (247)

Sales: General Sales

DX(CEL)-1

THE CELOTEX CORPORATION

May 20, 1971

Republic Gypsum Company
1100 Mercantile Bank Building
Dallas, Texas 75201

Attention: Mr. Rhyne Simpson, Jr.

Gentlemen:

Following up Mr. Herbert's telephone conversation with you and in accordance with the provisions of paragraph numbered 1 of the March 26, 1965 Agreement, please be advised that this is our written offer to sell to you the 1,500 shares of the $6.00 Cumulative Convertible Preferred stock of Republic Gypsum Company now registered in the name of The Celotex Corporation and evidenced by Certificates Number DP 2 in the amount of 1,00. shares and Number DP 3 in the amount of 500 shares, at the agreed upon purchase price of $100 per share plus a sum equal to the accrued dividends on said shares which have not previously been paid to The Celotex Corporation by Republic Gypsum Company.

It is my understanding that for the last five quarters, the aforesaid dividends have not been paid so that the sum due at this time would amount to $11,250 over and above the price to be paid for the shares.

I am forwarding herewith duly executed stock powers relating to these two certificates and upon receipt from you of your remittance in the amount of $161,250, the certificates will be forwarded to you under separate cover.

Very truly yours,

DX (CEL) 1

Richard Thompson
Vice President

RT:hl
Encls.

320285

DX(CEL)-2

SIMPSON HOME & FINANCE CORPORATION

LUBBOCK, TEXAS 79408

May 27, 1971

RECEIVED
JUN - 1 1971
LEGAL DEPT.

Mr. Richard Thompson, Vice President
The Celotex Corporation
P. O. Box 22602
Tampa, Florida 33622

Dear Mr. Thompson:

We are in receipt of your letter of May 20, 1971. After reviewing our files on this matter, we find that we are delinquent in reimbursing you for the amount of preferred stock dividends which have been missed by Republic Gypsum Company. We enclose our check in the amount of $13,500 to bring these dividends current. You will notice that this includes the dividend which normally would be paid on June 15, 1971.

It is possible that Republic Gypsum Company will declare these cumulative dividends and pay them in July or August. At that time, according to our agreement, you will reimburse us for the $13,500 which we are paying.

I visited with Bill Herbert on the telephone concerning time to purchase this stock. Because of other personal commitments at this time, we would like your assistance in having up to 120 days to honor our repurchase commitment. Your cooperation will be very much appreciated. If we can move quicker than this, we will do so.

The investment by your company in 1965 was very much appreciated. We have valued our relationship with you through this period. We apologize for the oversight on our part in not honoring the dividend reimbursement portion of our agreement. I assure you that it was merely an oversight.

Sincerely yours,

SIMPSON HOME & FINANCE CORP.

Rhyne Simpson, Jr.

RSJr:sa
cc: Mr. Phil Simpson
Mr. Rhyne Simpson

320283

cc: W. D. Herbert
Ken Haelsig from RT 6/1/71

DX(CEL)-3

THIS AGREEMENT, made and entered into as of this 1st day of October, 1970, by and between REPUBLIC GYPSUM COMPANY, a Delaware corporation, with principal offices at 818 East 34th Street (P. O. Box 968), Lubbock, Texas, hereinafter called "Republic," and THE CELOTEX CORPORATION, a Delaware corporation, with principal offices at 120 South LaSalle Street, Chicago, Illinois, hereinafter called "Celotex,"

WITNESSETH:

WHEREAS, Republic is presently constructing a plant at Duke, Oklahoma, for the manufacture of gypsum board products as hereinafter defined, and

WHEREAS, Republic and Celotex desire that Celotex which maintains and operates branch sales offices in many cities throughout the United States shall be entitled to sell a portion of the production of said plant,

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements hereinafter set forth, Republic and Celotex covenant and agree as follows:

1. DEFINITIONS:

A. The term "gypsum board products" as used in this Agreement shall mean 1/2", 3/8", 1/2" and 5/8" regular gypsum wallboard and 5/8" Type X Wallboard, having physical characteristics equal with and comparable to competitive products currently from time to time being manufactured and marketed by other gypsum board products manufacturers. At such time as Republic commences production of 1/2" gypsum sheathing it shall also be included within the meaning of the term "gypsum board products."

B. The term "contract year" as used in this Agreement shall mean the twelve consecutive calendar months commencing October 1st and ending the following September 30th in any year during the term of this Agreement.

C. The term "net plant sales return" of Celotex as used in this Agreement shall mean Celotex's sale's price less freight and cash discount computed upon its sales of products purchased from Republic and sold by it in an area described as follows: The entire State of Oklahoma; the State of Kansas, except Marshall, Nemaha, Brown, Doniphan, Pottawatomie, Jackson, Atchison, Leavenworth, Jefferson, Wyandotte, Johnson, Douglas, Shawnee, Wabaunsee, Lyon, Osage, Franklin, Miami, Lynn, Anderson and Coffey Counties; Baton, Vernon, Barton, Jasper, Newton, McDonald, Barry, Lawrence, Dade, Cedar, St. Clair, Henry, Benton, Hickory, Polk, Greene, Christian, Stone, Taney, Ozark, Douglas, Wright, Webster, Dallas, Laclede and Camden Counties, Missouri; and the following Counties in Arkansas - Benton, Carroll, Boone, Marion, Baxter, Washington, Madison, Newton, Searcy, Stone, Cleburne, Van Buren, Pope, Johnson, Franklin, Crawford, Sebastian, Logan, Yell, Montgomery, Scott, Polk, Garland, Little River, Conway, Faulkner, Perry, Pulaski, Saline, Garland, Jefferson, Grant, Hot Spring, Pike, Howard, Hempstead, Nevada, Clark, Dallas, Cleveland, Bradley, Calhoun and Ouachita.

4. Term:

The term of this Agreement shall be for a period of five (5) years commencing October 1, 1964, subject, however, to the right of Republic to cancel this Agreement as hereinafter set forth in paragraph 6(E) below.

5. Plant:

Republic represents that it is presently constructing a plant at Duke, Oklahoma, for the production of gypsum board products and expects that shipments of products meeting specifications herein

set forth can be made approximately October 1, 1964.

6. Quantity:

A. Republic agrees to reserve, set aside and maintain for the purpose of satisfying the requirements of Celotex for products under the terms and conditions and to the extent as herein set forth a portion of its available manufacturing capacity at said plant sufficient to enable Celotex to purchase in each contract year for shipment to customers and destinations as Celotex shall instruct up to the following maximum amounts (subject to adjustment in certain events as set forth in subparagraph B and D of this paragraph):

Contract Year	Maximum Amount (square feet - surface measure)
1	30,000,000
2	35,000,000
3	40,000,000
4	40,000,000
5	40,000,000

It is understood that the product shall be made available to Celotex in approximately equal monthly quantities, provided, however, that Republic shall not be obligated to deliver to Celotex more than 12% of the respective year's maximum of said product in any calendar month, nor more than the maximum specified above in any contract year.

B. Regardless of the maximum amounts set forth in the table in subparagraph A above for the second and succeeding years of the contract, the maximum amount of the products to be made available by Republic shall not be increased above 30,000,000 square feet per year as therein set forth unless and until Celotex shall have purchased in any contract year at least 15,000,000 square feet, in which event the maximum amount shall thereupon be increased to

35,000,000 square feet for each of the succeeding contract years. Likewise, the maximum amount shall not thereafter be increased above 35,000,000 square feet per year unless and until Celotex shall have purchased in any contract year at least 31,000,000 square feet of the product, in which case the maximum amount shall be increased to 80,000,000 square feet for each of the succeeding contract years, after a year in which the maximum amount was 35,000,000 square feet.

C. In the event Celotex does not:

(1) Purchase a "minimum amount" of products in any contract year equal to at least 80% of the maximum amount for such year (computed as set forth in subparagraphs A and B above, and subject to adjustment as set forth in subparagraph D below); or

(2) pay to Republic within thirty (30) days after the end of such contract year in which the minimum amount is not purchased, an amount equal to $3 per thousand square feet times the difference between the amount actually purchased in such contract year and the specified minimum amount for such contract year,

then Republic shall have the right and option to terminate this Agreement upon ninety (90) days' written notice to Celotex at any time within six (6) months after the end of the contract year.

D. In the event that Celotex determines in its sole discretion at any time subsequent to the date of this contract that its net plant sales return from its sales of 1/2" wallboard in the above stated area has dropped

far enough below its estimated net plant sales return on August 26, 1964, of $34.43 per thousand square feet, that it can no longer make profitable sales of products purchased from Republic at the prices specified in paragraph 7 of this Agreement, it shall have the right and option upon written notice to Republic to suspend all of its purchases under this contract for a period not to exceed ninety (90) days in any one calendar year and, further, not to exceed a total of one hundred eighty (180) days during the term of this contract. In the event that purchases are so suspended by Celotex in any contract year in accordance with the terms of this subparagraph, the maximum amounts and minimum amounts specified above for such year shall be reduced in the proportion that the number of days during which purchases are suspended bears to the number of days in said contract year; provided, further, that said maximum amounts and minimum amounts shall not be adjusted unless purchases have been so suspended for more than thirty (30) consecutive days in any contract year.

E. For the purposes of this paragraph 4 the maximum and minimum amounts to be produced and purchased are set forth in square feet (surface measure) of 1/2 inch gypsum wallboard, which amounts shall be proportionately adjusted in the case of production and purchase of products of different thicknesses.

5. QUALITY:

The products supplied to Celotex hereunder shall be of good and merchantable quality and shall be equal in quality to the

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Gypsum board products which Republic is at the time supplying to its other customers, and shall be at least equal in quality and physical characteristics to the current standards prescribed in Federal Specifications SS-L-30b Lath Sheathing and Wallboard, Gypsum, and to current ASTM Specifications C79-54 Sheathing, C37-54 Lath and C36-51 Wallboard or such other Federal or ASTM Specifications which may hereafter be applicable to gypsum board products.

8. TRADE NAMES AND LABELS:

Celotex shall have the right to sell the products under its own trade mark or marks, and Republic will label such products purchased by Celotex in the manner designated by Celotex. Celotex shall furnish bundling tapes to Republic as required and Republic shall reimburse Celotex for the cost of the same. Republic shall be responsible for maintaining a satisfactory inventory of such tapes.

7. PRICES:

A. The prices to Celotex of the gypsum board products to be furnished hereunder shall be as follows (subject to adjustment as set forth in subparagraphs B and C below):

Product	Price - F.O.B. Plant, Duke, Oklahoma, per M Square Foot (surface measure)
1/4" Wallboard	$20.00
3/8" Wallboard	22.00
1/2" Wallboard	27.00
5/8" Wallboard	33.50
5/8" Type X Wallboard	39.00
1/2" Sheathing (if produced)	33.00

The price to be paid by Celotex for other thicknesses and other gypsum products, if any, shall be as negotiated from time to time. Republic shall bill Celotex immediately after shipment is made and the terms of payment shall be 2% - 10th proximo.

B. In the event that Celotex's average net plant sales return on all of its sales of 1/2 inch gypsum

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wallboard purchased from Republic during any calendar month exceeds $36.43 per thousand square feet, the price of all 1/2 inch gypsum wallboard sold by Republic to Celotex during such month shall thereupon be retroactively increased by one-half of such excess and likewise the price of all other gypsum products sold by Republic to Celotex during such months shall be proportionately increased. Such price increases, if any, shall only be applicable to the specific month where the net plant sales return exceeds $36.43, and otherwise the prices shall be as set forth in subparagraph A during the term of this contract.

C. In the event that the aggregate delivered cost of paper used by Republic in the manufacture of products sold to Celotex shall exceed or be less than 10% of its present aggregate costs per M square feet of board, then the amount of the increase above or below said 10% of such aggregate costs shall be shared equally by Celotex and Republic. The present delivered price per ton of paper and the present aggregate cost of paper per M square feet of board, are as follows:

	Per Ton	Converted to Per M' Wallboard	Converted to Per M' Sheathing
Gray back	$ 91.70	$3.53	
Creme face	134.50	5.10	
Aggregate paper cost Per M'- Wallboard		$8.63	
Sheathing	106.70		$9.33

EXAMPLE: If the converted aggregate paper cost per M square feet of wallboard should go up to $12.00, the increase in price to Celotex would amount to $1.26 and be calculated as follows:

Contract aggregate cost as above	$8.63
Add 10%	.86
Maximum cost with no increase	9.49
Increased aggregate cost	12.00
Difference	$(2.51)
Celotex share of increase - 50%	$(1.26)

BEST COPY AVAILABLE

In the event of an increase or decrease in the price of wallboard or sheathing, due to an increase or decrease in the cost of paper, Republic shall immediately notify Celotex and such adjusted price shall be applicable starting with shipments made in the subsequent month.

8. TITLE:

Title to the products shipped hereunder shall pass to Celotex f.o.b. shipping point when such products are shipped by common or contract carrier; otherwise, title shall pass f.o.b. destination.

9. SHIPMENTS:

Republic shall arrange for and secure necessary transportation by rail or truck for Celotex and prepare all shipping or

receiving papers and Celotex shall prepay freight when necessary. Republic shall secure a delivery receipt from consignee for products delivered on f.o.b. destination shipments. Celotex shall furnish Republic flat car covers which Republic will use to cover shipments made by flat car for Celotex and for which Republic shall reimburse Celotex at its cost. Shipping notices, together with copies of bills of lading or delivery receipts shall be mailed to Celotex no later than two days following date of shipment or deliver.

10. ORDERS AND INVENTORY:

A. Republic agrees to handle Celotex's orders for products promptly in the order of their receipt and agrees that if it is unable to ship Celotex's orders promptly, it will notify Celotex immediately, giving the estimated shipping date and the reason therefor. In the event that the combined sales of the products required by Celotex and Republic exceeds the plant production capacity, Republic agrees that up to the maximum square feet, in any contract year, will be shipped on Celotex orders at a proportionate weekly rate. Republic shall allocate part of its available warehouse space at the Duke plant, without cost to Celotex, for Celotex's label products and shall mutually agree with Celotex on minimum and maximum inventory levels of various products sizes and thicknesses which Republic will exercise its best efforts to maintain in order to afford prompt service in filling Celotex orders.

B. If Republic maintains inventories of the products in warehouses at locations other than Duke, Oklahoma, Republic agrees to offer Celotex the right to have its shipments made from such warehouses on terms to be agreed upon.

C. Republic agrees that Celotex may furnish to it joint system products, decorative board and foil backed board which Republic does not manufacture for shipment with Celotex orders of products purchased hereunder. Republic will make available storage space for two carloads or 190,000 pounds, at any one time, of the products named in this subparagraph.

11. COMPLAINTS:

Celotex will notify Republic in writing of bona fide complaints alleging that the products shipped hereunder are defective and will provide Republic with properly identified samples of such board when available. Republic shall have the right to investigate and to determine the validity of such complaints and shall indemnify Celotex for any adjustment by it of any such complaints and hold Celotex harmless therefor where the product shipped is shown to be defective. Republic also agrees to honor legitimate claims for damage to or shortage of products shipped hereunder.

12. SPECIAL PRODUCTS:

Republic agrees that if it at any time manufactures any other gypsum products at its Duke, Oklahoma, plant, that the same will be made available to Celotex. Republic shall not be required to manufacture, for Celotex, special gypsum products other than odd lengths of the standard size defined gypsum products. In the event Celotex desires Republic to manufacture such odd lengths of standard size gypsum products, it is agreed that such requests shall be of a minimum amount of 15,000 square feet, or, in the event it be less than 15,000 square feet that the price thereof shall be increased by $3.50 per thousand square feet. It is further understood that Republic shall have a reasonable time within which to manufacture such odd lengths.

13. SPECIAL SALES:

Republic agrees that Celotex may sell any part or all of the products to which it is entitled to purchase pursuant to this Agreement to other manufacturers, and accordingly shipment will be made under other labels than the Celotex labels, provided, however,

(1) That Republic shall not be required to maintain an inventory of such products under any other label than that of Celotex;

(2) That no single shipment of such products shall be less than 90,000 pounds;

(3) Celotex shall purchase at prices herein specified any over run up to 10% of such a shipment;

(4) That Republic shall have a reasonable time within which to manufacture such order after receipt thereof.

14. FORCE MAJEURE:

Neither party shall be liable for any failure to ship or take shipment or delay in shipment because of fire, floods, earthquakes, tornadoes, or other acts of God; or riots, strikes or other labor disturbances, inability to secure transportation facilities, inability to secure materials or labor; or any condition or circumstances reasonably beyond their control.

15. PATENTS:

Republic will hold harmless and defend Celotex against any suits for patent infringement by reason of selling or using the products which are the subject of this Agreement. Republic will, at its own expense, conduct the defense in court, including any appeals, of any suit, or equity or action at law brought against Celotex for infringement of patents arising out of its sale or use of the products. Celotex shall notify Republic promptly in writing of any such claims of infringement and of service upon it

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of any process in such suit or action and shall render to Republic all reasonable assistance that may be required in the defense of such suit or action. Celotex shall have the right to be represented by advisory counsel of its own selection at its own expense.

16. NOTICES:

Any notice required or permitted to be given under this Agreement shall be given as follows:

A. to Republic: c/o The President
515 East 34 Street
P. O. Box 949
Lubbock, Texas 79408

B. to Celotex: c/o The President
120 South LaSalle Street
Chicago, Illinois 60603

or such other address as the parties hereto may from time to time advise.

17. ASSIGNMENT:

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

REPUBLIC GYPSUM COMPANY

ATTEST: Phil Simpson
Secretary

By R. Gene Simpson
President

THE CELOTEX CORPORATION

ATTEST: John H. Adams
Asst. Secretary

By Marvin Greenwood
Vice President

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REPUBLIC GYPSUM COMPANY / 5100 MERCANTILE BANK BUILDING
P.O. BOX 709 / DALLAS, TEXAS 75221 / TELEPHONE 214 818-8421

November ___, 1967

8 December 1967

Mr. Marvin Greenwood
Senior Vice President
The Celotex Corporation
1500 N. Dale Mabry
Tampa, Florida 33607

COPY

Dear Mr. Greenwood:

Paragraph 4(C) of the Agreement between Republic Gypsum Company and The Celotex Corporation, dated October 1, 1964, as amended, provides that, in the event Celotex does not purchase a "minimum amount" of products in any contract year, or pay Republic a stated amount in the event such minimum quantity is not purchased, then Republic shall have the right and option to terminate this Agreement upon ninety (90) days' written notice to Celotex at any time within six months after the end of the contract year. Because of the failure by Celotex either to purchase the minimum amount or to make the required payment for the contract year ending December 31, 1966, Republic has the right and option to terminate the Agreement. The term during which Republic can exercise such option was extended by that Agreement under our letterhead dated May 24, 1967, until December 31, 1967.

This letter is to inform Celotex that Republic hereby exercises its option and terminates such Agreement as of the date of this letter.

Enclosed is a copy of the proposed new Agreement between Republic and Celotex. Will you or the appropriate official for Celotex please acknowledge receipt and acceptance of this notice by your signature in the place provided on the duplicate copy of this letter and return it to us.

Very truly yours,

REPUBLIC GYPSUM COMPANY

By _____
Executive Vice President

ACKNOWLEDGED AND ACCEPTED:

THE CELOTEX CORPORATION

By Marvin Greenwood
Senior Vice President

61107

MANUFACTURERS OF THE REPUBLIC GYPSUM ROOFING

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AGREEMENT

THIS AGREEMENT, made and entered into as of this 21st day of November, 1967, by and between REPUBLIC GYPSUM COMPANY, a Delaware corporation, with principal offices at 1100 Mercantile Bank Building, Dallas, Texas (P. O. Box 780, Dallas, Texas, 75221) hereinafter called "Republic" and the CELOTEX CORPORATION, a Delaware corporation with principal offices at 1500 North Dale Mabry Highway, Tampa, Florida, 33607, hereinafter called "Celotex."

WITNESSETH:

WHEREAS, Republic is presently operating a plant at Duke, Oklahoma, for the manufacture of gypsum board products as hereinafter defined, and

WHEREAS, Republic and Celotex desire that Celotex, which maintains and operates branch sales offices in many cities throughout the United States, shall be entitled to sell a portion of the production of said plant;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements hereinafter set forth, Republic and Celotex covenant and agree as follows:

1. DEFINITIONS:

A. The term "gypsum board products" as used in this Agreement shall mean 1/4 inch, 3/8 inch, 1/2 inch and 5/8 inch thickness regular gypsum wallboard, 1/2 inch and 5/8 inch thickness Type X Wallboard, 5/8 inch Super Type X B/B and 1/2 inch Regular B/B Wallboard, having physical characteristics equal with and comparable to competitive products currently from time to time being manufactured

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and marketed by other gypsum board products manufacturers.

B. The term "contract year" as used in this Agreement shall mean the twelve consecutive calendar months commencing January 1, and ending December 31, in any year during the term of this Agreement, except as provided in subparagraph B. of Paragraph 3.

C. The term "square feet" is the surface measure of any gypsum board product, regardless of its type or thickness.

2. TERM:

Except as modified by Paragraph 3, subparagraph B, the term of this Agreement shall be for a period of five (5) contract years commencing January 1, 1968, provided, however, that the quantity and price terms are to be renegotiated and agreed upon prior to the beginning of each contract year after the first one.

3. QUANTITY:

A. Republic agrees to reserve, set aside and maintain for the purpose of satisfying the requirements of Celotex for products under the terms and conditions and to the extent as herein set forth, a portion of its available manufacturing capacity at its said plant sufficient to enable Celotex to purchase in each contract year for shipment to customers and destinations as Celotex shall instruct up to the maximum quantity of One Million Five Hundred Thousand (1,000,000)

square feet (surface measure) of gypsum products per calendar month, for a total not to exceed Twelve Million (12,000,000) square feet per contract year.

B. Celotex agrees to give Republic written notice of each month's requirements (not to exceed 1,000,000 sq.ft.) no later than the fifteenth day of the month next preceding the month of shipment as described above. For the purpose of implementing any shipment for or during January, 1968, Celotex agrees to give such notice by December 15, 1967.

4. QUALITY:

The products supplied to Celotex hereunder shall be of good and merchantable quality and shall be equal in quality to the gypsum board products which Republic is at the time supplying to its other customers, and shall be at least equal in quality and physical characteristics to the current standards prescribed in Federal Specifications SS-L-30b Lath Sheathing and Wallboard, Gypsum, C37-54 Lath and C36-61 Wallboard, or such other Federal or ASTM Specifications which may hereafter be applicable to gypsum board products.

5. TRADE MARKS AND LABELS:

Celotex shall have the right to sell the products under its own trade mark or marks, and Republic will label such products purchased by Celotex in the manner

designated by Celotex. Celotex shall furnish bundling tapes to Republic as required and Republic shall reimburse Celotex for the cost of the same. Republic shall be responsible for maintaining a satisfactory inventory of such tapes.

6. PRICES:

A. So long as the purchases by Celotex during the first contract year of the Agreement cumulatively total less than Eight Million square feet (8,000,000 sq.ft.), the prices to Celotex of the gypsum board products to be furnished hereunder shall be as shown in Column 1 in the following table. Upon the event that the purchases by Celotex during the first contract year hereof cumulatively total more than Eight Million square feet (8,000,000 sq. ft.), Republic shall credit to Celotex's subsequent purchases during such contract year an amount equal to the difference between the price in Column 1 and the price in Column 2 below, multiplied by the quantity of the corresponding product purchased, and the prices to Celotex of all the products it subsequently purchases during such contract year shall be as shown in Column 2. If such credit exceeds the value of the subsequent purchases by Celotex during the remainder of such contract year, then such credit shall be carried over to be credited to the purchases by Celotex after such contract year, upon the price terms as the parties may agree; or, Republic at its option, may refund in cash the dollar amount of such carry-over credit within ten days following the end of such contract year.

Product	Price - F.O.B. Plant, Duke, Oklahoma, per Thousand Square Feet (M.sq.ft.) Surface Measure	
	Column 1	Column 2
	$ 28.00 1/2" basis per M. sq.ft.	$ 27.00 1/2" basis per M. sq.ft.
1/4" Regular Wallboard	$ 22.00	$ 21.20
3/8" Regular Wallboard	24.15	23.30
1/2" Regular Wallboard	28.00	27.00
5/8" Regular Wallboard	33.25	32.00
1/2" Type X Wallboard	33.00	31.75
5/8" Type X Wallboard	37.20	36.00
5/8" Super Type X B/B	60.00	60.00
1/2" Regular B/B	41.50	41.50

B. The price to be paid by Celotex for other thicknesses and gypsum products other than the ones described immediately above, if any, shall be as negotiated from time to time. Republic shall bill Celotex immediately after shipment is made and the terms of payment by Celotex shall be 2% - 10th proximo, at Republic's office in Dallas, Texas.

7. TITLE:

Title to the products shipped hereunder shall pass to Celotex F.O.B. shipping point when such products are shipped by common or contract carrier, otherwise, title shall pass F.O.B. destination.

8. SHIPMENTS:

Republic shall arrange for and secure necessary transportation by rail or truck for Celotex and prepare all shipping or receiving papers. Celotex shall pay the freight directly to the delivering carrier when a common carrier is

used. Republic shall secure a delivery receipt from consignee for products delivered on F.O.B. destination shipments. Celotex shall furnish Republic flat car covers which Republic will use to cover shipments made by flat car for Celotex and for which covers Republic shall reimburse Celotex at its cost. Shipping notices, together with copies of Bills of Lading or delivery receipts shall be mailed to Celotex following date of shipment or delivery.

9. ORDERS AND INVENTORY:

A. Republic agrees to process Celotex's orders for products promptly in the order of their receipt and agrees that if it is unable to ship Celotex's orders promptly, it will notify Celotex immediately, giving the estimated shipping date and the reason therefor. Republic shall allocate part of its available warehouse space at the Duke, Oklahoma, plant without cost to Celotex for Celotex's label products.

B. Republic agrees that Celotex may furnish to it joint system products, decorative board and foil backed board which Republic does not manufacture, for shipment with Celotex orders of products purchased hereunder. Republic will make available storage space for one carload or 90,000 pounds, at any one time of the products named in this subparagraph.

10. COMPLAINTS:

Celotex will notify Republic in writing of bona fide complaints alleging that the products shipped hereunder are defective and will provide Republic with properly

identified samples of such board when available. Republic shall have the right to investigate and to determine the validity of such complaints and shall indemnify Celotex for any adjustment by it of any such complaints and hold Celotex harmless therefor where the product shipped is shown to be defectively manufactured by Republic. Republic also agrees to honor legitimate claims for damage to or shortgage of products shipped hereunder.

11. SPECIAL PRODUCTS:

Republic agrees that if it at any time manufactures any other gypsum products at its Duke, Oklahoma, plant, that the same will be made available to Celotex at prices mutually agreed upon by the parties. Republic shall not be required to manufacture for Celotex special gypsum products other than odd lengths of the standard size defined gypsum products. In the event Celotex desires Republic to manufacture such odd lengths of standard size gypsum products, it is agreed that such requests shall be of a minimum quantity of 15,000 square feet, or, in the event it be less than 15,000 square feet, that the price thereof shall be increased by $2.50 per thousand square feet surface measure. It is further understood that Republic shall have a reasonable time within which to manufacture such odd lengths, and that Celotex shall purchase at the price specified in this paragraph any over run up to ten per centum (10%) of the production of such odd length products.

12. SPECIAL SALES:

Republic agrees that Celotex may sell any part or all of the products to which it is entitled to purchase pursuant to this Agreement to other manufacturers, and accordingly, shipment will be made under other labels than the Celotex labels, provided, however,

(1) That Republic shall not be required to maintain an inventory of such products under any other label than that of Celotex;

(2) That no single shipment of such products shall be less than 90,000 pounds;

(3) Celotex shall purchase at prices herein specified any over run up to 10% of such a shipment;

(4) That Republic shall have a reasonable time within which to manufacture such order after receipt thereof.

13. FORCE MAJEURE:

Neither party shall be liable for any failure to manufacture, ship or take shipment, or for delay in shipment because of fire, floods, earthquakes, tornadoes, or other Acts of God; or riots, strikes or other labor disturbances, inability to secure transportation facilities, inability to secure materials or labor; or any condition or circumstances reasonably beyond its control.

14. PATENTS:

Republic will hold harmless and defend Celotex against any suits for patent infringement by reason of selling or using the products manufactured by Republic pursuant to

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this Agreement and will, at its own expense, conduct the defense in court, including any appeals, of any suit in equity or action at law brought against Celotex for infringement of patents arising out of its sale or use of such products. Celotex shall notify Republic promptly in writing of any such claims of infringement and of service upon it of any process in such suit or action and shall render to Republic all reasonable assistance that may be required in the defense of such suit or action. Celotex shall have the right to be represented by advisory counsel of its own selection at its own expense.

15. NOTICES:

Any notice required or permitted to be given under this Agreement shall be given as follows:

A. to Republic: c/o The President
1100 Mercantile Bank Building
P. O. Box 780
Dallas, Texas 75221

B. to Celotex: c/o The President
1500 North Dale Mabry Hwy
Tampa, Florida 33607

or such other address as the parties hereto may from time to time advise.

16. STATE LAW:

This Agreement shall be construed and governed according to the laws of the State of Texas.

17. ASSIGNMENT:

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that in the event Republic shall sell all or substantially all of its

assets, the parties hereto agree that such sale shall be made subject to the purchaser's agreement to be bound by and continue this Agreement in full force and effect for any remaining period thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

REPUBLIC GYPSUM COMPANY

By _____
Executive Vice President

ATTEST:

_____
Assistant Secretary

THE CELOTEX CORPORATION

By _____
Vice President

ATTEST:

_____
Assistant Secretary

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AGREEMENT

THIS AGREEMENT, made and entered into as of this 22 day of JANUARY, 1970, by and between REPUBLIC GYPSUM COMPANY, a Delaware corporation, with principal offices at 1100 Mercantile Bank Building, Dallas, Texas, 75201, hereinafter called "Republic" and THE CELOTEX CORPORATION, a Delaware corporation with its principal offices at 1500 No. Dale Mabry Hwy., Tampa, Florida, 33607, hereinafter called "Celotex."

W I T N E S S E T H:

WHEREAS, Republic is presently operating a plant at Duke, Oklahoma, for the manufacture of gypsum board products as hereinafter defined, and

WHEREAS, Celotex is presently operating a plant at Hamlin, Texas for the manufacture of gypsum board products as hereinafter defined, and

WHEREAS, Republic and Celotex each desire that the other, each of whom maintains and operates branch sales offices in many cities throughout the United States, shall be entitled to sell a portion of the production of its respective plant;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements hereinafter set forth, Republic and Celotex covenant and agree as follows:

1. DEFINITIONS:

   A. The term "gypsum board products" as used in this agreement shall mean 1/4 inch, 3/8 inch, 1/2 inch and 5/8 inch thickness regular gypsum wallboard, 1/2 inch and 5/8 inch thickness Type X Wallboard, 5/8 inch Type X B/B and 1/2 inch Regular B/B Wallboard manufactured by a party to this agreement, having physical characteristics equal with and comparable

to competitive products currently from time to time being manufactured and marketed by other gypsum board products manufacturers.

B. The term "square feet" is the surface measure of any gypsum board product, regardless of its type or thickness.

2. QUANTITY:

Each party hereto agrees to sell to the other party, out of such selling party's Duke, Oklahoma or Hamlin, Texas Plant, as the case may be, during each calendar month in which this agreement is in effect, up to 1,000,000 square feet of gypsum board products (surface measure) at the prices specified in paragraph 5 hereof. In the event that during said calendar month one party purchases hereunder more of said gypsum board products than the other party purchases hereunder, then the party purchasing the excess amount of gypsum board products in that calendar month hereunder shall pay to the other party within 20 days after the end of the calendar month $5.00 for each 1,000 square feet of gypsum board products purchased hereunder in excess of that purchased by the other party hereunder during the calendar month. The terms of the preceding sentence shall be inapplicable in any month in which this agreement is terminated in accordance with paragraph 3 below.

3. TERMINATION:

This agreement shall terminate seven days after the giving by one party hereto of written notice of said termination to the other party hereto.

4. TRADEMARKS AND BUNDLING TAPES:

Each party shall have the right to sell the products under its own trademark or marks and the party manufacturing the product will place bundling tapes on the products purchased

by the other in the manner designated by that party. Each party shall furnish the bundling tapes to the other as required and the manufacturing party shall reimburse the other for the cost of the same. The manufacturing party shall be responsible for maintaining a satisfactory inventory of such tapes.

5. PRICES:

Prices to be paid by each of the parties to the other are as follows:

Price FOB plant Duke, Oklahoma or Hamlin, Texas per thousand square feet (M sq. ft.) surface measure.

1/4	Regular	Wallboard	$19.00	Backer Board	$18.00
3/8	"	"	21.00	" "	20.00
1/2	"	"	24.00	" "	23.00
5/8	"	"	28.50	" "	27.50
1/2X	"	"	28.00	" "	27.00
5/8X	"	"	32.00	" "	31.00

1/2	Water	Resistant	(Bath	Backer)	$31.00
5/8	"	"	"	"	35.50
5/8X	"	"	"	"	40.00
1/2	Gypsum	sheathing	(impregnated)		31.50

Foil board gypsum products add $20 to same thickness of above.

Each party shall bill the other immediately after shipment is made and the terms of payment shall be 2% - 10th proximo, at Republic's office in Dallas, Texas and Celotex' office in Tampa, Florida, as the case may be.

6. TITLE:

Title to the products shipped from Duke, Oklahoma hereunder and risk of loss or damage shall pass to Celotex FOB shipping point when such products are shipped by common or contract carrier (including rail), or otherwise, title and risk of loss or damage to Celotex shall pass FOB destination. Title to products shipped from Hamlin, Texas and risk of loss or damage shall pass to Republic FOB shipment point.

7. The manufacturing party shall arrange for and secure necessary transportation by rail or truck for the other and prepare all shipping or receiving papers. Each purchasing party shall pay the freight directly to the delivering carrier when a common carrier is used. Republic shall secure a delivery receipt from consignee for products delivered on FOB destination shipments. Each party shall furnish the other flat car covers which the manufacturing party will use to cover shipments made by flat car. Shipping notices, together with copies of Bills of Lading or delivery receipts shall be mailed to the purchasing party by the manufacturing party following date of shipment or delivery.

8. ORDERS AND INVENTORY:

A. Each party agrees to process the other's orders for products promptly in the order of their receipt and agrees that if it is unable to ship the orders promptly, it will notify the other immediately, giving the estimated shipping date and the reason therefor. Each party shall allocate part of its available warehouse space at its respective plant without cost to the other.

9. COMPLAINTS:

Each party will notify the other party in writing upon receipt of any complaint alleging that gypsum board products sold hereunder are defective and will provide the other party with properly identified samples of such allegedly defective gypsum board products when available. The manufacturing party shall have the right to investigate such complaint and shall be consulted by the purchasing party with regard thereto. The determination of the validity of a complaint shall be made by the purchasing party. Upon such determination the manufacturing party shall then indemnify and hold harmless the

purchasing party if such allegedly defective gypsum wall board products were determined to be defectively manufactured. Each party hereto also agrees to honor legitimate claims for damage to or shortage of products shipped hereunder.

10. SPECIAL PRODUCTS:

Each party agrees that if it at any time manufactures any other gypsum products at its respective plant, that the same will be made available to the other at prices mutually agreed upon by the parties. Neither party shall be required to manufacture for the other any special gypsum products other than odd lengths of the standard size defined gypsum products. In the event either party desires to manufacture such odd lengths of standard size gypsum products for the other it is agreed that such requests shall be of a minimum quantity of 15,000 square feet, or, in the event it be less than 15,000 square feet, that the price thereof shall be increased by $2.50 per thousand square feet surface measure. It is further understood that the manufacturing party shall have a reasonable time within which to manufacture such off lengths, and that purchasing party shall purchase at the price specified in this paragraph any over run up to ten per centum (10%) of the production of such odd length products.

11. FORCE MAJEURE:

Neither party shall be liable for any failure to manufacture, ship or take shipment, or for delay in shipment because of fire, floods, earthquakes, tornadoes, or other Acts of God; or riots, strikes or other labor disturbances, inability to secure transportation facilities, inability to secure materials or labor; or any condition or circumstances reasonably beyond its control.

12. PATENTS:

The manufacturing party will hold harmless and defend the purchasing party against any suits for patent infringement by reason of the sale or use of the gypsum board products sold pursuant to this agreement to the purchasing party. Such manufacturing party will, at its expense, conduct the defense, including appeals, of any suit in equity or at law brought against the purchasing party for infringement of patents arising out of the sale or use of products purchased by the purchasing party hereunder. Each party shall notify the other promptly in writing of any claim of infringement of which such notifying party has knowledge which is covered by this paragraph and such notifying party shall render to the other party reasonable assistance that may be requested in the defense of such suit or action. Either party shall have the right to be represented by counsel of its own selection at its own expense in any suit or action described hereunder.

13. NOTICES:

Any notice required or permitted to be given under this agreement shall be given as follows:

To Republic: c/o The Executive Vice President
1100 Mercantile Bank Building
Dallas, Texas 75201

To Celotex: c/o The Vice President - Marketing
1500 No. Dale Mabry Hwy.
Tampa, Florida 33607

or such other address as the parties hereto may from time to time advise.

14. STATE LAW:

This agreement shall be construed and governed according to the laws of the State of Texas.

DX(CEL)-6

15. ASSIGNMENT:

This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

16. Upon execution of this agreement, the agreement between the parties hereto, dated November 21, 1967 as amended by letter agreement dated December 8, 1967, shall be considered cancelled and superceded by this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

REPUBLIC GYPSUM COMPANY

ATTEST:

By _____
Vice President

_____
Secretary

THE CELOTEX CORPORATION

ATTEST:

By _____
Vice President

_____
Assistant Secretary

DX(CEL)-9

IMPORTANT: This form must accompany (or precede) order placement

MEETING COMPETITION

REPORT OF CUSTOMER'S REQUEST FOR PRICE OR TERMS OF SALE EXCEPTION

CUSTOMER

Name _____ ○ Dealer ○ Jobber

Location _____ ○ Applicator ○ Other

Other information supplied by customer _____

APPLIES

○ Specific Order No. _____ ○ Until further notice ○ Job _____

COMPETITOR INVOLVED:

COMPETITOR'S OFFER TO OUR CUSTOMER:

NAME and TITLE of person supplying above information:

SUPPORTING EVIDENCE (Invoice, Price List, etc.):

REPORTED BY

_____
Salesman

SEE REVERSE SIDE FOR ADDITIONAL COMMENTS

OX(CEL)-10

THE CELOTEX CORPORATION

OX (CEL) 10

TO: D L Hartzell
KIENICKER, ATLANTA DISTRICT; G. L. Dawson, LOS ANGELES DISTRICT; J. W. Neal, TEXAS DISTRICT; W. G. Lees, CHICAGO DISTRICT; C. H. Hofer, NEW ORLEANS DISTRICT; P. F. Shuler, TWIN CITIES DISTRICT; W. H. Camp, CINCINNATI DISTRICT; R. F. Keogh, NEW YORK DISTRICT; J L Allegood, New York; J. S. Cook, CLEVELAND DISTRICT; J. T. Holmes, OAKLAND DISTRICT; H. L. Courington, LOS ANGELES; H. O. Pinnig, DENVER DISTRICT; I. M. Holly, PHILADELPHIA DISTRICT; A. L. Dunn, NEW ORLEANS; C. H. Enos, DETROIT DISTRICT; L. Jandsky, ST. LOUIS DISTRICT; R. C. Hoyt, CHICAGO; J. M. Shelton, KANSAS CITY; J V Brenner, New York Dist

DATE: May 11, 1961
BULLETIN NO. 132
SUBJECT: Certification of Customer's Request for Exceptions to Price or Terms of Sale

CC: A. Greenwood, E. E. Dierking, C. F. Buckland, R. M. Thompson, L. Dvorak, R Goddard

FOR: P C Armstrong, B A Savage, C E Bryant, E F Levin, J P Pierce, D W Martl, R J Leonard, C W Fischer

C P Crosby, Atlanta Dist; G T Vlahovich, Chicago Dist; W A Eckstein, Cleveland Dist; J C Ferguson, Cincinnati Dist; W G Polley, New Orleans Dist; R Mistrick, New York Dist; G A Glass, Oakland Dist; A P Keyes, Philadelphia Dist; A J Rook, Texas Dist; H V Fort, Twin Cities Dist

It is imperative that competitor's prices or terms of sale which are offered to our customers be verified beyond all reasonable doubt before The Celotex Corporation may make an exception to its published prices or terms of sale to meet that competition.

Attached you will find a new Form 155 on which a customer may formally state the exceptions to Celotex prices or policy being given or offered to him by competitors of Celotex. In instances where copies of invoices, written quotations or other acceptable forms of evidence of price or policy exceptions are not obtainable, the salesman should have the customer verify the "exception" by completing and signing this new form. The salesman must also sign the form.

Only the original of this Form 155 is to accompany the Form 350 or 360 when it is submitted. It will serve as confidential legal evidence that the requested Celotex price or policy adjustment is justified. Extra copies of Form 156 are not required unless desired for District records.

The original signed Form 155 will be attached to the Order Department files for retention for the life of that file.

Two pads each containing 25 Form 155's are being sent each District Manager to be used as he determines most advantageous. Additional pads may be ordered from Chicago on a stationary requisition in the normal manner.

C F Buckland
Gaul Merchandise Manager

CFB:jf

320076

CELOTEX

OX(CEL)-10

CERTIFICATION OF CUSTOMER'S REQUEST FOR EXCEPTIONS TO PRICE OR TERMS OF SALE

Attach original to Form 350 or 360

THE CELOTEX CORPORATION
120 South LaSalle Street
Chicago 3, Illinois

Gentlemen:

_____ is currently selling us, or offering to sell us the following products at the prices,
(Name of Celotex Competitor)
and under the terms and conditions hereinafter named:

COMPETITIVE PRODUCT INVOLVED (SHOW BRAND NAME, PRODUCT, THICKNESS, SIZE, TYPE, ETC.)	QUANTITY INVOLVED	METHOD OF DELIVERY (RAIL OR TRUCK) (WHY?)	COMPETITIVE DELIVERED NET SELLING PRICE EXCLUDING CASH DISCOUNT	DESTINATION	OTHER SPECIAL TERMS OR CONDITIONS OFFERED

(SIGNATURE) _____

(TITLE) _____

(COMPANY) _____

(ADDRESS) _____

(DATE) _____

Submitted by: _____
CELOTEX Sales Representative

FORM 155

320077

GAUL DIVISION

BX(CEL)-19

THE CELOTEX CORPORATION

CEL 6179

To:
B. L. Hudson, Atlanta District
S. L. Bowman, Los Angeles District
A. W. Neal, Texas District
W. G. Lane, Chicago District
C. M. Meier, New Orleans District
P. F. Dunbar, Twin Cities District
W. M. Camp, Cincinnati District
R. P. Keogh, New York District
J. L. Shepard, New York
J. L. Funk, Cleveland District
J. T. Nelson, Oakland District
R. L. Garrigues, Los Angeles
H. O. Pfannig, Denver District
L. M. Nolly, Philadelphia District
A. L. Dunn, New Orleans
C. H. Kane, Detroit District
E. G. Foley, St. Louis District
R. C. Moore, Chicago
J. M. Shelton, Kansas City

DATE: August 18, 1936

BULLETIN NO. 157

SUBJECT: Gypsum Pricing

CC W. Greenwood
E. E. Dierking
C. F. Dunkland
Ralph Thompson
L. Dvorak
J. T. Schmitz

P G Armstrong, D P Crosby, Atlanta Dist; A P Kayne, Philadelphia Dist
C E Bryant, G T Vlaisavich, Chicago Dist; E C Chamberlain, St Louis Dist
E F Lavin, J C Portuguese, Cincinnati Dist; A J Rock, Dallas Dist
R L Merrill, E A Reichelt, Cleveland Dist; A E Swanson, Twin Cities Dist
C Gandy, C E Willis, Denver Dist
F Hartford, A E Rogers, Kansas City Dist
C Proctor, C L Curtis, New Orleans Dist
E Kitzinger, R Dietrich, New York Dist
N Norway, G A Olson, Oakland Dist

BX (CEL) 19

In spite of all our efforts to do so, it has become physically impossible for this office to keep the districts and our salesmen promptly informed, by means of our goldenrod price bulletins, of all the recent changes which have been made in prices of various Gypsum products by the leading competitive gypsum manufacturers.

The trend toward establishment of delivered zone prices and the expansion of the list of products to which such delivered prices are applicable, has resulted, as you know, in a tremendous volume of detailed revisions of all our heretofore existing price schedules.

Inasmuch as our regular facilities for printing and mailing are still in Chicago, the mere loss of time in transmitting mail has frequently resulted in enough delay to cause us to lose business and to defeat in a large measure the main object of our present gypsum price policy, which is to be competitive with the major gypsum companies.

This, therefore, is to inform you of an important and basic change in the mechanics of our handling of gypsum price changes. The change is effective immediately and will remain in effect until specifically cancelled or amended by a subsequent bulletin.

321851

BX(CEL)-19

CEL 6180

- 2 -

Gypsum Pricing

Under this new system:

1. The latest published price list of the United States Gypsum Company will determine the prices at which we will sell our comparable products in the areas affected.

2. It shall be the duty of each district office to transmit to this office immediately any new United States Gypsum Company Price List, as distributed by that company to its customers, as soon as such list comes into your possession.

3. Likewise it will be the policy of this office to transmit immediately to any district affected, all new USG price lists which we may receive.

4. District Offices shall be responsible for informing their respective salesmen of the applicable prices in the specific areas covered by each of our salesmen.

5. Any request for deviation from the latest USG published price list for any customer or any product must be supported either by a Form 350 or 360, depending upon the circumstances of each case.

6. Situations which may arise which in the judgment of the District Management cannot adequately be met by the Form 350 or 360 must be taken up specifically with this department.

7. Until the current situation is clarified, no effort will be made to continue our previous full coverage of gypsum prices by means of the goldenrod bulletin.

Attached you will find a few examples of procedure for determining prices on plaster, lath and wallboard products which is typical for several districts.

B. W. Miller
Gypsum Merchandising Dept.

BWM/cah

321852

BEST COPY AVAILABLE

DX(CEL)-19

CEL 6181

GYPSUM PRICE EXAMPLES

ATLANTA DISTRICT

1. DEALER PRICE FOR NASHVILLE, TENN (DAVIDSON COUNTY) 8-2-65

FINISHED PLASTER - 80M# Min Box Car	Price Per Ton
Dealer delivered price (See Tennessee price bulletin #6, page 5, Zone 1)	$25.50
3/8" GYPSUM LATH - 90M# Flat Car	**Price Per MSF**
Dealer delivered price (See Tennessee USG price announcement, "SRSo-26" effec 8-2-65)	$33.25
1/2" GYPSUM WALLBOARD - 90M# Flat Car	**Price per MSF**
Dealer delivered price (See Tennessee USG price announcement "SRSo-26" effec 8-2-65)	$42.40

ST LOUIS DISTRICT

2. DEALER PRICE FOR PEORIA, ILLINOIS (PEORIA COUNTY) 7-26-65

FINISHED PLASTER - 80M# Min Box Car	Price Per Ton
Mill Base Price (See Gypsum Price Schedule 1)	$19.25
Equalized Freight (2 Chgs - See Gypsum Freight Bulletin #25)	4.50
Dealer Delivered Price	$23.75
3/8" GYPSUM LATH - 90M# Min Flat Car	**Price Per MSF**
Dealer Delivered Price (See Ill. Price Bulletin #3, Zone 6)	$29.00
1/2" GYPSUM WALLBOARD - 90M# Min Flat Car	**Price Per MSF**
Dealer Delivered Price (See Ill. Price Bulletin #3, Zone 6)	$43.00

321853

DX(CEL)-20

DX (CEL) 20

RETYPED FOR LEGIBILITY

DATE: November 11, 1965

BULLETIN NO. 27

SUBJECT:

GYPSUM PRICING

CC M. Greenwood
C. F. Buckland
R. H. Thompson
J. T. Saturnia
L. Dvorak
P G Armstrong
G E Enyart
E F Levin
D W Marti
C Gaudry
D H Miller
W E Hill
J P Pierce

322202

On August 18, 1965, Mr. Miller issued Bulletin No. 157 on the subject of Gypsum Pricing, wherein you were informed of a temporary but important change in our pricing of gypsum products. Subsequently there has come to my attention an article which appeared in the publication "Purchasing Week" issue of August 9, 1965, copy of which is attached hereto. Although this article must have appeared before Mr. Miller's bulletin was issued, we had no knowledge of its existence at that time.

The article allegedly reports an interview with "a top spokesman for U.S. Gypsum Company."

If it accurately presents the official policy of that company, then we must be extremely careful in our operations under Bulletin No. 157.

Since my aim herein is to clarify and not to confuse, a brief explanation of the law, as I understand it, may be necessary for you to understand fully the position in which we now find ourselves. Our Company's basic policy remains as before - to be competitive in our pricing of gypsum products. Under the law we are free to do so as long as our price is made in good faith to meet a lawful and equally low price of a competitor.

The underlined word "lawful" is the key to the entire situation. The courts have held, that a price cutting program, if done with a so-called predatory intent, constitutes a direct violation of the Sherman Act. The test of the legality of any given price practice may vary depending upon the facts and circumstances of a particular case. It seems safe to say, however, that when a company is as large a factor of total industry volume as U.S. Gypsum Company is in the gypsum industry, the government will look very carefully at any general price cutting by such a company. It may well be that circumstances could arise where the government would take the position that such pricing action was with a "predatory intent." Should that happen we would not be free to meet such lower prices.

The foregoing is intended solely for the purpose of keeping you especially vigilant and alert to discover and report to us any unusual practices which you may encounter in your district in the pricing of gypsum products. Please keep us immediately and fully informed of any such developments so that we may be guided in determining our own policies.

L

THE CELOTEX CORPORATION

DX(CEL) 20

To:
J. L. Allegood, ATLANTA DISTRICT
G. L. Sexton, LOS ANGELES DISTRICT
A. W. Neal, TEXAS DISTRICT
W. G. Lowe, CHICAGO DISTRICT
C. M. Baker, NEW ORLEANS DISTRICT
P. F. Booker, TWIN CITIES DISTRICT
W. H. Casey, CINCINNATI DISTRICT
R. P. Keogh, NEW YORK DISTRICT
E. E. Shockley, CHICAGO
A. L. Bush, CLEVELAND DISTRICT
J. T. Nelson, OAKLAND DISTRICT
G. L. Covington, LOS ANGELES
H. O. Phenix, DENVER DISTRICT
I. W. Holly, PHILADELPHIA DISTRICT
A. L. Bost, NEW ORLEANS
C. M. Knox, DETROIT DISTRICT
E. G. Polley, ST. LOUIS DISTRICT
E. C. Howe, CHICAGO
J. M. Shelton, KANSAS CITY

DATE: November 11, 1953
BULLETIN NO. 157
SUBJECT: Gypsum Pricing

CC: H. Greenleaf, C. F. Buckland, R. H. Thompson, [redacted], J. T. Edmonds, L. Burch, S P Hayes, P S Armstrong, C E Durant, E J Lovin, D V Lloyd, G Cooley, D V Miller, V E Hill

322202

On August 18, 1953, Mr. Miller issued Bulletin No. 157 on the subject of Gypsum Pricing, wherein you were informed of a temporary but important change in our pricing of gypsum products. Subsequently there has come to my attention an article which appeared in the publication "Purchasing Week" issue of August 9, 1953, copy of which is appended hereto. Although this article must have appeared before Mr. Miller's bulletin was issued, we had no knowledge of its existence at that time.

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The foregoing is intended solely for the purpose of keeping you especially vigilant and alert to discover and report to us any unusual practices which you may encounter in your district in the pricing of gypsum products. Please keep us immediately and fully informed of any such developments so that we may be guided in determining our own policies.

DX(CEL)-20

USG Tries Zone Plan to Brace Wallboard Prices

Chicago—The words are escalation, dominoes, local containment and zones, but the war is not Vietnam—its the gypsum wallboard conflict here in the States.

A top spokesman for U. S. Gypsum Co. used those words to describe what USG hopes will act as a brake on escalating price cuts—its zone plan. The plan was adopted in certain areas of the country six weeks ago; now 100 zones cover USG's 25,000 dealers in every state.

"Under the zone setup, if a USG competitor bids lower than the going price to a dealer to get a construction job in a certain area, USG will match or undercut the bid to all dealers in that zone. In that way, a USG spokesman said, all dealers in a zone benefit instead of one, and the competition must think twice before extending the price war. "His loss on one is small compared to what it would be on five or ten dealers," he said.

Crux of the matter is that USG, with 45% of the wallboard market, can afford a temporary cut in prices; some of its smaller competitors can't. "

The zone plan also keeps the conflict localized. "Instead of one price for everything east of the Rockies and another west of them, we contain the cut to, say, New York," a spokesman said. "In that way, Atlanta prices, for example, stay where they are in keeping with the local market." Most cuts have been in the range of 25¢ to 50¢ per thousand square feet of wallboard. The average price on gypsum wallboard across the nation now is about $40/msf.

The 100 zones are controlled by eight USG divisional offices. "If one of the offices finds proof, such as an invoice, that the price has been reduced, the divisional manager can immediately drop prices in the particular zone. On the other hand, when the price goes up (it hasn't yet) the manager can immediately raise the price in that zone," he said.

The battle between wallboard producers started in July of last year. The Southwest and West are main battlegrounds (prices down 5% to 10%) with the Gulf Coast and Southeast next. Little, if any effect, has been felt in the Midwest and Northeast.

Decrease in housing starts (down 11%, first quarter of '65, about 5% second quarter) added to overcapacity (new plants in the West) account for the need to cut prices to keep volumes up.

The war formerly was fought on a dealer-by-dealer basis (price varying with shipping rate and then cut). But this kept producers constantly worried about whether the government was preparing to step in under the Robinson-Patman Act for price discrimination.

USG's 100 zones represent the 100 major marketing areas in the U. S., the spokesman said. In the East, for example, New York, Philadelphia, and Baltimore-Washington are three different zones. In the Midwest, Chicago, Detroit, Cleveland, Cincinnati, and St. Louis are different zones. The Southwest zones are typically Dallas, Phoenix and the West Coast regions Los Angeles and San Francisco.

"The Domino theory comes into play if the competition cuts prices by as much as a dollar. Then the cut in one zone might affect the next and the next and so on. This hasn't happened yet, but it could. The spokesman says the USG could cut prices up to 35% of present level and still break even. "

322203

DX(CEL)-24

DX (CEL) 24

RETYPED FOR LEGIBILITY

August 26, 1965

Proposal
Transmittal of Competitive Pricing Information

C. F. Buckland
General Sales Dept.

cc: M. Goddard, Executive Sales
M. Johnson, Accounting Dept.
L. Berman, Accounting Dept.
C. Gaudry, Legal Dept.
C. Fischer, Order Dept.

Presently, request for approval to meet competitive gypsum price exceptions are transmitted to the Tampa Gypsum Merchandise Department by the district office by teletype.

The following procedure is followed.

1. District: Writes and sends teletype message.
2. Tampa: Clerk checks pricing for accuracy, determines gross profit on borderline cases, attaches previous correspondence and submits to manager for approval.
3. Tampa: Teletype reply dictated or written, typed, submitted to teletype room for transmittal.
4. District: Upon receipt of teletype approval, Form 350 typed and mailed to Tampa.
5. Tampa: Clerk verifies "350" with teletype approval, submits to Merchandise Manager, Messrs Buckland, Gaudry, and Fischer for approval.
6. Tampa: Approved copies then distributed and filed.

Recent price changes throughout the country have resulted in a change in the number of teletyped approvals and "350's" that are processed. The increased volume of competitive situations has resulted in a general slow down of 350 processing due primarily to the lack of personnel in the district offices and in the Merchandise Department to handle this expanded work load. Since price changes have occurred in certain areas as frequently as two or three week intervals, and have been known to occur within two or three day intervals, any delay in submitting 350's can result in the forms being outdated before they are processed. This, of course, causes confusion on the part of the people writing the 350's and particularly in the Order Department, where they rely on the form 350 for billing information.

322212

(Cont'd)

Proposal
Transmittal of Competitive Pricing Information

Granting approval by teletype to meet competitive price exceptions also has its drawbacks. No two districts submit information in the same manner, even though all districts have been given a format to follow. When districts do not follow the format, they frequently neglect to provide the Merchandise Department with enough information on which to make logical decisions. This necessitates either phone calls or additional wires in an effort to develop complete information. This additional correspondence means increased filing and typing, increased analytical time, delayed processing resulting in possible loss of orders.

The Gypsum Merchandise Department receives, on the average, between twenty and forty teletyped requests to meet competitive situations daily. The department sends between twenty and forty replys each day. The increased manpower needed to administer the requests to meet competitive prices is seriously cutting into the time that should be allocated to other marketing responsibilities. If the demand continues at the rate it has, (and we have no reason to believe it will not), additional personnel must be added to handle the load.

Present average time expended in preparation and submittal of 350's on gypsum competitive situations only, is estimated as follows:*

District Office:	1.	Typing of current TT request.	5 - 8 min/TT
	2.	Filing and follow-up of TT.	3 - 5
	3.	Supplying of additional info (average).	1 - 3
	4.	Typing of 350.	7 -10 min/TT
			16 -25 min/TT
Gypsum Mdse.Dept.	1.	Clerk's review of form for errors and incomplete information.	3 - 5 min/TT
	2.	Manager's review and analysis of request.	1 - 3
	3.	Dictation of reply.	1 - 3
	4.	Typing of reply.	5 - 8
	5.	Filing teletypes.	1 - 3
	6.	Review of 350 (compare to TT approval).	2 - 4
	7.	Approval of 350.	1 - 2
	8.	Request for additional info (average)	2 - 4 min/TT
			16 -33 min/TT

*Only the steps which are assumed to be effected by proposal are shown.

(Cont'd)

322213

Proposal
Transmittal of Competitive Pricing Information

Districts average 30"350's" per month per district. Gypsum Merchandise Department processes approximately 450 "350's" per month, and averages 20 to 40 teletypes on competitive situations per day.

PROPOSAL

Use a teletype transmittal service (similar to that used to transmit orders) to transmit form 350's as initial requests and formal record of approved request to meet competitive situations.

PROCEDURE

It is proposed that a "350" be packaged in roll form (instead of pads) which can be inserted into the teletype transmittal machines now located in our district offices. It will take between one to two minutes to change teletype form rolls from a "350" form to an "order" form. (Districts already change from multi copy to single copy rolls to send conventional messages.) It is assumed that the district would accumulate orders and transmit them at one time before changing the roll to the form 350 so that requests to meet competitive situations could be transmitted. No additional equipment or additional help would be needed in the district offices. Two additional receiving machines would have to be installed in Tampa at a rental charge of $50.00 per month per machine (cost of paper additional). Two machines are required since Eastern districts transmit on a circuit different from the one used by the Western districts. Upon receipt of a teletyped form 350 in Tampa, the form would be reviewed, processed, distributed, and filed. In the case of an approval or disapproval the district office would be notified by reference to a form 350 number only. If qualified approval or amendments were recommended, the present procedure of notifying the district would be used. The district office would retain the original form 350 submitted and signed by the salesman, unless our Legal Department requests that it be handled differently. (The form 350 will probably undergo some redesign to make it more suitable for use in this manner.)

ADVANTAGES

1. Transmittal of requests to meet competitive situations on a form 350, rather than on an improvised teletype, would provide the Merchandise Department with more complete information than is now being received.

2. Use of 350's for initial request would eliminate one entire typing operation in the form 350 preparation procedure.

(cont'd)

322214

DX(CEL)-24

- 4 -

Proposal
Transmittal of Competitive Pricing Information

ADVANTAGES (Cont'd)

Based on the analysis of average time expended in preparation and processing of form 350 approvals outlined in the preface of this proposal, the following savings should be realized:

District Office	Time required-new Procedure	Savings
Typing of TT	8 - 8 min/TT	5 - 8 min/TT
Filing	2 - 3 min/TT	1 - 2 min/TT
Additional info	0 - 0 min/TT	1 - 3 min/TT
Typing of TT form 350	7 - 10 min/TT	0 - 0 min/TT
Total	9 - 23 min/TT	Total 8 - 13 min/TT
Gypsum Adse Dept		
Check for errors	2 - 3 min/TT	1 - 2 min/TT
Manager's review	1 - 2 min/TT	0 - 1 min/TT
Dictation of reply	0 - 1 min/TT	0 - 22 min/TT
Typing of reply	1 - 2 min/TT	4 - 6 min/TT
Filing of TT	0 - 1 min/TT	0 - 2 min/TT
Review of form 350	0 - 0 min/TT	2 - 4 min/TT
Approval form 350	0 - 0 min/TT	1 - 2 min/TT
Requests for additional info	0 - 1 min/TT	2 - 3 min/TT
Total	4 - 10 min/TT	Total 10 - 22 min/TT

It is estimated that an average minimum savings per month per district will be between 4 and 7 man hours. Due to variation in competitive activity from District to District, this figure fluctuates considerably. Although this savings would not allow release of an employee, it would free them considerably to fulfill other job responsibilities not now being handled.

The average minimum savings per month in the Gypsum Marchandise Department will 4500 to 4950 minutes or 75 to 84 man hours. This would be sufficient to eliminate the necessity of an additional steno-clerk. Furthermore, it would free the entire Department to more adequately handle marketing problems, preparation of price lists, etc.

(Cont'd)

322215

DX(CEL)-24

- 5 -

Proposal
Transmittal of Competitive Pricing Information

ADVANTAGES (Cont'd)

3. Due to increased competitive price exceptions in some areas, some districts are experiencing as much as a two month delay in getting 350's into Tempe. Lack of 350's at billing time results in errors which require an undetermined amount of time to rectify. Teletype transmission of 350's would eliminate this.

4. Processing time for 350's would be substantially reduced, thereby improving our ability to become competitive more rapidly in fast changing markets. It is assumed this would enhance our ability to take gypsum orders.

ACTION REQUESTED

Approval for immediate arranging for transmittal of 350's by teletype service, procurement of adequate equipment, redesign of form 350 to meet requirements of this transmittal procedure, advisement of Districts and Tempe personnel regarding proper procedures.

This proposal has been discussed with Harold Johnson and Chuck Fischer, and has received their endorsement.

Warren E. Hill
Gypsum Marchandising Dept.

WEH/cah

322216

DX(CEL)-24

August 26, 1965

DX (CEL) 24

Proposal
Transmittal of Competitive Pricing Information

Noted DKG

G. F. Rustland
General Sales Dept.

THIS MAY AFFECT A/C FOR COMMERCIAL

cc: M. Coddard, Executive Sales
H. Johnson, Accounting Dept.
L. Ekrem, Accounting Dept.
C. Gendry, Legal Dept.
C. Fischer, Order Dept.

COPY

Presently, request for approval to meet competitive gypsum price exceptions are transmitted to the Tampa Gypsum Merchandise Department by the district office via teletype.

The following procedure is followed.

1. District: Writes and sends teletype message.
2. Tampa: Clerk checks pricing for accuracy, determines gross profit on borderline cases, attaches previous correspondence and submits to manager for approval.
3. Tampa: Teletype reply dictated or written, typed, submitted to teletype room for transmittal.
4. District: Upon receipt of teletype approval, Form 350 typed and mailed to Tampa.
5. Tampa: Clerk verifies "350" with teletype approval, submits to Merchandise Manager, Messrs Rustland, Gendry, and Fischer for approval.
6. Tampa: Approved copies then distributed and filed.

Recent price changes throughout the country have resulted in a change in the number of teletyped approvals and "350's" that are processed. The increased volume of competitive situations has resulted in a general slow down of 350 processing due primarily to the lack of personnel in the district offices and in the Merchandise Department to handle this expanded work load. Since price changes have occurred in certain areas as frequently as two or three week intervals, and have been known to occur within two or three day intervals, any delay in submitting 350's can result in the forms being outdated before they are processed. This, of course, causes confusion on the part of the people writing the 350's and particularly in the Order Department, where they rely on the form 350 for billing information.

322212

(Cont'd)

DX(CEL)-24

- 2 -

Proposal
Transmittal of Competitive Pricing Information

Granting approval by teletype to meet competitive price exceptions also has its drawbacks. No two districts submit information in the same manner, even though all districts have been given a format to follow. When districts do not follow the format, they frequently neglect to provide the Merchandise Department with enough information on which to make logical decisions. This necessitates either phone calls or additional wires in an effort to develop complete information. This additional correspondence means increased filing and typing, increased analytical time, delayed processing resulting in possible loss of orders.

The Gypsum Merchandise Department receives, on the average, between twenty and forty teletyped requests to meet competitive situations daily. The department sends between twenty and forty replys each day. The increased manpower needed to administer the requests to meet competitive prices is seriously cutting into the time that should be allocated to other marketing responsibilities. If the demand continues at the rate it has, (and we have no reason to believe it will not), additional personnel must be added to handle the load.

Present average time expended in preparation and submittal of 350's on gypsum competitive situations only, is estimated as follows:*

District Office:	1.	Typing of current TT request.	5 - 8 min/TT
	2.	Filing and follow-up of TT.	3 - 5
	3.	Supplying of additional info (average).	1 - 3
	4.	Typing of 350.	7 - 10 min/TT 16 - 25 min/TT
Tampa Mdse. Dept:	1.	Clerk's review of form for errors and incomplete information.	3 - 5 min/TT
	2.	Manager's review and analysis of request.	1 - 3
	3.	Dictation of reply.	1 - 3
	4.	Typing of reply.	5 - 8
	5.	Filing teletypes.	1 - 3
	6.	Review of 350 (compare to TT approval).	2 - 4
	7.	Approval of 350.	1 - 2
	8.	Request for additional info (average)	2 - 4 min/TT 15 - 32 min/TT

322213

*Only the steps which are assumed to be affected by proposal are shown.

(Cont'd)

DX(CEL)-24

-3-

Proposal
Transmittal of Competitive Pricing Information

Districts average 30 "350's" per month per district. Gypsum Merchandise Department processes approximately 150 "350's" per month, and averages 20 to 40 teletypes on competitive situations per day.

PROPOSAL

Use a teletype transmittal service (similar to that used to transmit orders) to transmit form 350's as initial requests and formal record of approved request to meet competitive situations.

PROCEDURE

It is proposed that a "350" be packaged in roll form (instead of pads) which can be inserted into the teletype transmittal machines now located in our district offices. It will take between one to two minutes to change teletype form rolls from a "350" form to an "order" form. (Districts already change from split easy to single easy rolls to send conventional messages.) It is proposed that the district would accumulate orders and transmit them at one time before changing the roll to the form 350 so that requests to meet competitive situations could be transmitted. No additional equipment or additional help would be needed in the district offices. Two additional receiving machines would have to be installed in Tampa at a rental charge of $50.00 per month per machine (cost of paper additional). Two machines are required since Eastern districts transmit on a circuit different from the one used by the Western districts. Upon receipt of a teletyped form 350 in Tampa, the form would be reviewed, processed, distributed, and filed. In the case of an approval or disapproval the district office would be notified by reference to a form 350 number only. If qualified approval or amendments were recommended, the present procedure of notifying the district would be used. The district office would retain the original form 350 submitted and signed by the salesman, unless our Legal Department requests that it be handled differently. (The form 350 will probably undergo some redesign to make it more suitable for use in this manner.)

ADVANTAGES

1. Transmittal of requests to meet competitive situations on a form 350, rather than on an improvised teletype, would provide the Merchandise Department with more complete information than is now being received.

2. Use of 350's for initial request would eliminate one entire typing operation in the form 350 preparation procedure.

(cont'd)

DX(CEL)-24

- 4 -

Proposal
Transmittal of Competitive Pricing Information

ADVANTAGES (Cont'd)

Based on the analysis of average time expended in preparation and processing of form 350 approvals outlined in the purpose of this proposal, the following savings should be realized:

District Office	Time required - new Procedure		Savings
Typing of TT	0 - 0 min/TT		5 - 8 min/TT
Filing	2 - 3 min/TT		1 - 2 min/TT
Additional info	0 - 0 min/TT		1 - 3 min/TT
Typing of TT form 350	7 - 10 min/TT		0 - 0 min/TT
Total	9 - 23 min/TT	Total	8 - 13 min/TT
Gypsum Mdse Dept			
Check for errors	2 - 3 min/TT		1 - 2 min/TT
Manager's review	1 - 2 min/TT		0 - 1 min/TT
Dictation of reply	0 - 1 min/TT		0 - 22 min/TT
Typing of reply	1 - 2 min/TT		4 - 6 min/TT
Filing TT	0 - 1 min/TT		0 - 2 min/TT
Review of form 350	0 - 0 min/TT		2 - 4 min/TT
Approval form 350	0 - 0 min/TT		1 - 2 min/TT
Requests for additional info	0 - 1 min/TT		2 - 3 min/TT
Total	4 - 10 min/TT	Total	10 - 22 min/TT

It is estimated that an average minimum savings per month per district will be between 4 and 7 man hours. Due to variation in competitive activity from District to District, this figure fluctuates considerably. Although this savings would not allow release of an employee, it would free them considerably to fulfill other job responsibilities not now being handled.

The average minimum savings per month in the Gypsum Merchandise Department will 4500 to 4750 minutes or 75 to 79 man hours. This would be sufficient to eliminate the necessity of an additional stenographer. Furthermore, it would free the entire Department to more adequately handle marketing problems, preparation of price lists, etc.

(Cont'd)

COPY

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DX(CEL)-24

Proposal
Transmittal of Competitive Pricing Information

ADVANTAGES (Cont'd)

3. Due to increased competitive price exceptions in some areas, some districts are experiencing as much as a two month delay in getting 350's into Issue. Lack of 350's at billing time results in errors which require an undetermined amount of time to rectify. Teletype transmission of 350's would eliminate this.

4. Processing time for 350's would be substantially reduced, thereby improving our ability to become competitive more rapidly in fast changing markets. It is assumed this would enhance our ability to take gypsum orders.

ACTION REQUESTED

Approval for immediate arranging for transmittal of 350's by teletype service, procurement of adequate equipment, redesign of form 350 to meet requirements of this transmittal procedure, advisement of Districts and Tampa personnel regarding proper procedures.

This proposal has been discussed with Harold Johnson and Chuck Fischer, and has received their endorsement.

Yours

Warren R. Hill
Gypsum Merchandising Dept.

WRH/eah

322216

DX(CEL)-26

DX (CEL) 26
retyped first page

Document number: 322176
Date: November 29, 1965
Bulletin No.: 33
Subject: Sales Administration Department

ADMITTED

You received Mr. Greenwood's Bulletin of November 23 announcing the new Sales Administration Department.

We want to take this opportunity to tell you how the department is organized and to pass on some suggestions for effective operation.

Specific activities will be handled by the following individuals, each of whom is already experienced in the particular subject:

Competitive pricing, General Line items:
N. A. Wooley - Dealer Insulation Board
G. E. Rhode - Gypsum products
John North - Hardboard, Mineral Wool, Flexcell, Roof Insulation

(Note: Above includes competitive pricing on sales to House Prefabricators, but not Industrial Sales.)

Preparation and distribution of prior lists and price bulletins:
Harold Wooley

Product complaints
Service complaints (except shortage and damage)
RFAs - requests for adjustment on deductions
J. W. Emerson

Please address correspondence, teletypes and requests to the above individuals according to the subject involved. This does not prevent your taking up matters directly with myself or any of the merchandise managers where circumstances indicate. To hold down paper work, it is not necessary to send copies of teletypes or letters to merchandise managers or myself. Unless the particular subject requires their attention and action. The people in our department work closely with the merchandising departments and general sales and will consult with them and obtain their recommendations or action as required. One exception here: On requests for competitive pricing to house prefabricators, please send a copy to J. P.Pierce, Industrial Department.

BX(CEL)-26

On competitive pricing, while it will be our aim to promptly authorize justification of competitive pricing, I would call to your attention that it is a primary responsibility...

-C.R. Gaudry Legal

BX(CEL)-26

THE CELOTEX CORPORATION

GENERAL OFFICE

TO:
J. L. Allegood, ATLANTA DISTRICT
B. L. Barnes, LOS ANGELES DISTRICT
J. W. Beal, TEXAS DISTRICT
W. G. Lees, CHICAGO DISTRICT
C. H. Maher, NEW ORLEANS DISTRICT
P. F. Parker, TWIN CITIES DISTRICT
W. H. Camp, CINCINNATI DISTRICT
R. P. Keogh, NEW YORK DISTRICT
E. E. Stebbing, CHICAGO
J. S. Stark, CLEVELAND DISTRICT
J. T. Nelson, OAKLAND DISTRICT
H. L. Covington, LOS ANGELES
H. O. Pinney, DENVER DISTRICT
I. W. Kelly, PHILADELPHIA DISTRICT
A. L. Dent, NEW ORLEANS
C. H. Ems, DETROIT DISTRICT
W. G. Pixley, ST. LOUIS DISTRICT
R. C. Moore, CHICAGO
J. H. Shelton, KANSAS CITY

DATED: December 21, 1950
BULLETIN NO. 33
SUBJECT: Sales Administration Department

BX (CEL) 26

CC M. Greenwood
C. F. Buckland
R. M. Thompson
H. Goddard
J. T. Reynolds
L. Dvorak

You received Mr. Greenwood's bulletin of November 21 announcing the new Sales Administration Department.

We want to take this opportunity to tell you how the department is organized and to give you some suggestions for effective operation.

Specific activities will be handled by the following individuals, each of whom is available to the particular subject:

Competitive prices, General Line items:
F. A. Dooley - Dealer Insulation Board
C. H. Blake - Cemesa products
John Smith - Hardboard, Mineral Wool, Flexcell, Roof Insulation

(Note: Above includes competitive prices as asked by Branch Professionals, but not Industrial Sales.)

Preparation and distribution of price lists and price bulletins:
Harold Dooley

Product acceptance
Service complaints (except shortage and damage)
Bills - requests for adjustment or deductions
T. V. Duncan

[illegible] correspondence, telephone and telegraph requests on the above [illegible] to Mr. [illegible]. This does not include [illegible] 322176 [illegible] Sales Administration Department.

[illegible]

DX(CEL)-26

Sales Administration Department - Bulletin 33 - cont. page 2

of the Sales Department to sell our products at our published prices and thus obtain proper pricing and resulting maximum profit. Variations from published prices to meet competitive conditions are exceptions which must be properly substantiated and only to be approved if such is in the company's best interest. I would urge each district manager to carefully screen competitive requests before they are sent in — you are best acquainted with the customer, the market and the particular salesman involved, hence are in position to determine the validity of the request. (Requests for competitive pricing on Industrial Sales should be sent directly to Mr. Pierce.)

It is important that we have a clear understanding with our customer as to price when an order is taken. We must substantially reduce the number of customer deductions and resultant RFAs, and the start is by proper understanding of price when we take an order.

On product complaints, while there is no change in your authority to settle complaints, we know there is room for improvement in complaint handling. For example, we are sometimes asked to pay complaints where our product is not at fault, but where it was subjected to conditions such as extreme moisture, dryness, etc., that gave rise to the trouble. In such cases no adjustment should be made or recommended until the reason has been thoroughly explored and explained to the dealer or other complainant. If the complaint report is sent in promptly after the initial investigation it would be possible to point out why our product is not at fault in the event our salesman did not originally know it and either avoid a settlement or arrange a more favorable one. When we receive late complaint reports — sometimes after a customer has deducted and an RFA is involved — opportunity for a more favorable settlement is generally lost. This is just one illustration of how prompt and careful handling can reduce claims.

On service complaints, those involving shortage and damage should continue to be sent to the Order Department, others to Sales Administration. We find many service complaints involve rather trivial matters — quite a number of them minor variations in delivery time. We do not wish to evade adjustments where some action on our company's part causes a bona fide complaint on our customer's part, but we are not going to favorably regard minor claims on delivery time for delays caused by weather, carriers' equipment and personnel and the like.

RFAs have been commented on above. The Order Department will continue to advise you when an RFA arises which they do not have authorization to allow. If the initial request is not promptly answered and resolved, Mr. Emerson will follow the matter with you for the Sales Department. You should send any correspondence or request requiring Sales or Merchandise Department approval of an RFA directly to him with copies to Order and Credit Departments. He will handle for clearance with other departments.

We would ask that you pass this memo on to your Assistant District Manager, Office Manager and office personnel for their information. If you have any questions please do not hesitate to ask and if you have any suggestions we will appreciate receiving them.

Marshall Goddard

MG/mp

322177

DX(CEL)-27

DX (CEL) 27

November 7, 1969

OCTOBER SUMMARY REPORT - GYPSUM

J. P. Pierce (3)

Prices are still declining in the Southwest and Northeast to the extent that the large buyer in Texas was paying approximately $30.50 for 1/2" wallboard and in the New York area, $34.76 for 1/2" wallboard during October. We announced a price increase by mail to our customers, the latter part of the month, to be effective November 3, 1969, in the southwestern states of Texas and Oklahoma; two counties in Louisiana and the city of Texarkana, Arkansas. It is hoped that this price increase will take effect so that we can change our lack of satisfactory profit position at the Empire plant.

We are currently preparing new price lists for all of the United States to be effective January 1, 1970, which will again (if effective) improve our profit position in the marginal profit plants of Empire and Edgewater.

In the Dallas-Fort Worth market, Georgia-Pacific, Republic and Texas Gypsum are now delivering to the jobs and scattering the board in the rooms for prices varying from $36.00 to $38.00 per thousand ($5 to $6 per M for scattering). Our sales force is trying to combat this by having local haulers scatter the board on various projects after our contract truckers make the job site deliveries. I plan to make a trip to Dallas, to personally investigate the job site delivery situation and will then make recommendations to management regarding any action needed.

I have been advised that Flintkote and National Gypsum are building warehouses in the Dallas area to compete with Georgia-Pacific. These warehouses are alleged to be planning the handling of a full line of products, (not only gypsum board).

During the month of October we continued to sell Georgia-Pacific Company at Edgewater.

During the month Jerry Fisch traveled in the Pittsburgh District, principally in the cities of Pittsburgh and Cleveland. He has submitted a separate report on this trip.

During the month I attended the Gypsum Association Membership Meeting, and it was noted that considerable promotion is planned to promote the use of a fire block gypsum board. Project request has been submitted to Cichowski for data figures and will then be sent to Mr. Herbert, Mr. Leonard, and Mr. Estz for their approvals.

trip - Palm Beach
trip - Dallas
Market Analysis

391489

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DX(CEL)-27

J. P. Pierce, October Summary Report - Gypsum, Page 2

We processed 670 Forms 330 during October, which is about the same number as during September.

Quality complaint settlements processed during the month were very low with a total of only 29 complaints processed, totaling $6,044, broken down as follows: Port Clinton - $688.86; Hamlin - $354.60; Fort Dodge - $1,947.00; Edgewater - $3,054.30.

Because of low profit due to lower prices, it is becoming increasingly difficult to give approvals for Form 330 requests over the phone. We find it necessary to run a gross profit study, getting freight rates depending upon whether it is rail or truck, on nearly all requests in the marginal profit areas of the southeast and northeast. I plan to meet with the Traffic Department to see if we can get published rates to all counties in the states served by Hamlin and the counties in the states served by Edgewater, which, combined with standard costs and cash discounts, will give us a quick reference regarding profits to answer phone requests more promptly.

D. W. Miller
Gypsum Merchandise Department

DWMiller

340330

DX(CEL)-27

RECAP OF GYPSUM COMPLAINTS
BY PLANT
FOR THE MONTH OF OCTOBER 1949

PLANT	UNDER $250.00 #		OVER $250.00 #		OVER $1,000.00 #		PLANT TOTAL #		ADJUSTMENT PENDING
PORT CLINTON	6	$688.86	--	-----	--	-----	6	$688.86	1 complaint pending adjustment
HAMLIN	4	354.60	--	-----	--	-----	4	354.60	1 complaint pending adjustment
FORT DODGE	6	1,346.12	3	$600.88	--	-----	10	$1,947.00	1 complaint pending adjustment
EDGEWATER	4	$326.80	3	$2,778.50	--	-----	9	$3,054.30	----------
TOTALS	22	$2,589.58	7	$3,379.38	--	-----	29	$6,044.96	4 complaint pending adjustment

DETAILED TOTALS FOR THE MONTH OF October 1949

cc: D. W. Miller
J. P. Pierce
E. E. Eichl
O. Mod, Research, J. W. R. C.

DX(CEL)-27

GYPSUM FORMS 350
APPROVED AND PROCESSED
DURING OCTOBER, 1949

General Office	8
Atlanta	26
Boston	14
Charlotte	16
Chicago	49
Cincinnati	46
Denver	10
Detroit	28
Kansas City	99
Los Angeles East	12
Los Angeles North	4
New Orleans	49
New York	74
Oakland	24
Philadelphia	18
Pittsburgh	35
St. Louis	50
Texas	84
Twin Cities	24
TOTAL	670

A. P. Pierce

DX(CEL)-28

DX (CEL) 28

I-4

1/2

December 5, 1949

NOVEMBER BUDGET REPORT - GYPSUM

J. P. Pierce (3)

Gypsum prices are still declining and most sales districts are unable to make their budgets as shown by the following plant notes based upon Daily Gross Sales Projection through November 28:

Edgewater
Approximately $44,000 short of budget due to price decline and and approximate drop in volume of 1,400,000 feet below budget.

Port Clinton
$31,000 below budget due to price decline and approximately 800,000 square feet below budget.

Fort Dodge
We were over our budget at this plant on both price and volume.

Cody
We came very close to budget.

Empire
We were approximately $100,000 off budget and had a drop in volume of nearly two million feet. We increased our price and attempted to hew the line to our new price in the face of difficult competitive situations.

Savannah
Approximately $20,000 off budget due to slight drop in volume and some drop in price.

Fremont
Off approximately $30,000 due to drop in volume from budget.

Arden
Off approximately $17,000 due to drop in volume.

It appears, even though we led the way with a price increase in Texas and Oklahoma, that some manufacturers chose to take new business at discounts from the list prices. Our plan to reverse the trend of lack of profit at the Empire Plant did not succeed, in spite of the efforts expended. (Please see the October Summary Report issued on November 7.)

DX(CEL)-28

J. Pierce, November Summary Report - Gypsum, Page 2

During the month of November, the volume of starts, in some districts, dropped, and the consumption of wallboard was below normal. Many competitive plants were operating less than four days per week and competitive prices continued to decline. We attempted to hold the line and got proof of all competitive situations; however, our volume was adversely affected.

We issued new prices in Texas, Oklahoma, parts of Arkansas and Louisiana for November and December. We issued new prices for the total United States effective January 1. We announced the discontinuance of all Terms 350 and 360 at the same time as the before-mentioned dates.

During the month, I traveled in the Dallas District regarding sales problems and price increase in the Texas and Oklahoma markets. I introduced Hick Dent and John Connolly to the Knoxville organization people in Palm Beach, so that new work could be better co-ordinated in the future.

Jerry Pisch traveled in the Chicago District and has submitted a separate report on this trip.

Terms 350 were approved as per the attached.

Quality complaint settlements processed during the month totaled $6,748.37; broken down as follows: $3,331.22 - Fort Clinton; $1,149.00 - Bowling; $1,339.91 - Fort Dodge; $908.44 - Edgewater.

A report of new products was given at the General Merchandise Meeting on December 2, 1969.

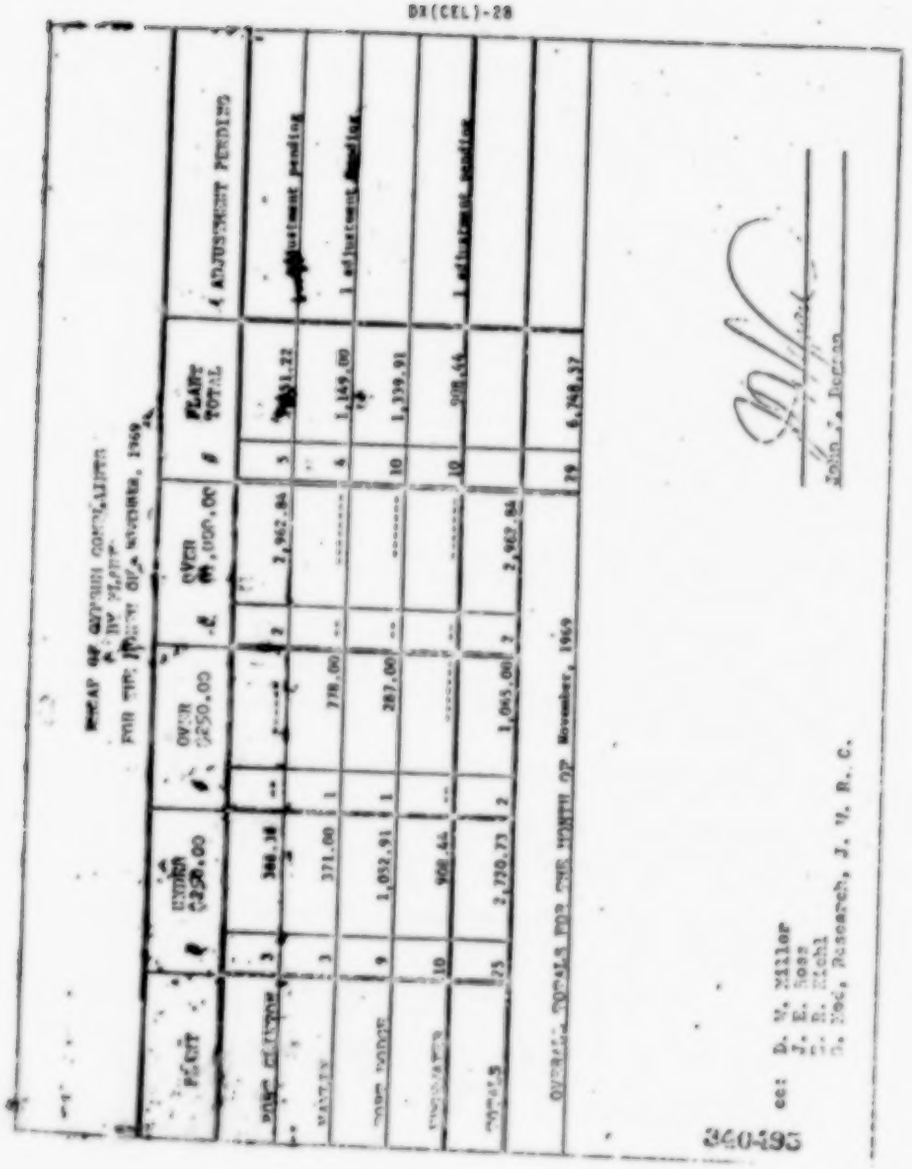
D. W. Miller
Gypsum Merchandise Dept.

DWMiller

Attachment

340494

DX(CEL)-28



340495

DX(CEL)-29

THE CELOTEX CORPORATION

INTER-OFFICE CORRESPONDENCE

DX (CEL) 29

January 5, 1970

FILE NO.

GENERAL OFFICE

SUBJECT:

DECEMBER SUMMARY REPORT - GYPSUM

J. P. Pierce (3)

Although the gypsum prices are still declining in most areas of the country due to the competitive situation, our volume in December improved compared with November. (Many of the competitive mills are not running a full week.) This improvement was noticeable in the Hamlin plant area where we attempted to raise the price in November and "hold the line". In early December, we had evidence that some of our competitors (chiefly U. S. Gypsum), were selling material below $37 for 1/2" wallboard; therefore, with the evidence we secured by seeing invoices, etc., we met the competition in the Hamlin plant area during December. It is difficult to operate profitably in the Hamlin and Edgewater plant areas due to the low competitive prices. We have emphasized the need to upgrade our sales to 5/8" wallboard wherever possible in order to get a better margin of profit than with the thinner wallboard.

Metal products and Joint System products are still selling in the market place to large buyers below our delivered cost. Because of the low competitive price on wallboard products, we are unable to get a satisfactory margin from the Flintkote brokerage plants in Savannah, Georgia; Arden, Nevada; and Fremont, California. All approaches to the Flintkote Corporation to secure a better cost have been unsuccessful to date.

Our announced price increase of January 1 has been postponed to January 12 in order to be competitive with Georgia-Pacific.

We have already noted evidence of price protection on large jobs in many areas of the United States, particularly by U. S. Gypsum Company and sometimes National Gypsum. National seems to be protecting large housing projects such as FHA or HUD projects, and classifying them as government work.

We have accepted some price protection where we have evidence of this competition and in some cases have had customers countersign our 350 as was suggested by Mr. Herbert.

We note that the large chain organizations all seem to have a 30-day "rollover", whenever there is a price increase and we are evidently forced to be competitive.

According to the Daily Gross Sales projection through 12/28, the total gypsum volume was ahead of budget; however, due to declining prices, we were behind budget in the following plants: Edgewater - $49,000; Flintkote-Savannah - $8,000; Flintkote-Fremont, Calif. - $38,000; Flintkote-Arden, Nevada - $8,000.

340496

DX(CEL)-29

J. P. Pierce, December Summary Report - Gypsum, Page 2, 1/5/70

It is interesting to note that we were ahead of budget at the following Plants: Port Clinton - $25,000; Fort Dodge - $233,000; Cody - $39,000; Hamlin - $40,000.

During the month of December, Jerry Pisch traveled in the New York and Boston Districts, and has made a separate report on his trip. He found evidence of price protection in this Edgewater plant area for the first four months of 1970 calendar year. This protection seems to be with the large user serving contractors on multi-family construction.

During the month of December, I went to see the Kassuba & Pancotto organization in reference to a new financial arrangement. This trip was made with Dent and Jarrett. The interest rate was increased and is now on the same basis as U. S. Gypsum Company.

Forms 350 were approved as per the attached.

Quality Complaints were processed during the month as per the attached.

Progress on new products or product systems was reported in the Research minutes.

During 1969, we were not able to get Ryan Homes of Pittsburgh to specify Celotex Gypsum Products as we did in 1968 because they evidently received a more favorable quotation from U. S. Gypsum, according to Pete Nazaretian, our district manager in Pittsburgh. I was informed by Nazaretian that we were not going to get the Ryan Homes business in 1970 because, again, U. S. Gypsum's price seems to be better than ours. Nazaretian had recommended that we meet the competitive situation of the dealer's net selling price of $43.00 with a competitive allowance of 3%. We were willing to meet this competitive situation; however, it appears that U.S.G. had a better price. We have a separate file on this subject.

Nazaretian feels that if we had a better price on fiberglass insulation, we could assure ourselves of two million feet of gypsum board volume, if we wish to be competitive with National Gypsum Company. It appears that U.S.G. gets the large volume of gypsum and two million feet is given to whoever has the low price on fiberglass insulation. (Note Nazaretian's wire of 12/30 to you.)

D. W. Miller
Gypsum Merchandise Dept.

DWM:mt

Attachments

340497

DX(CEL)-29

340493

RECAP OF OSHA COMPLAINTS
BY PLANT
FOR THE MONTH OF DECEMBER, 1969

PLANT	UNDER $250.00 #	OVER $250.00 #	OVER $1,000.00 #	PLANT TOTAL #	ADJUSTMENT PENDING
PORT GIBSON	4	2	--	6	1 adjustment pending
MARIETTA	2	--	--	2	1 adjustment pending
PORT ALLEN	7	1	--	8	1 adjustment pending
KINNEAPOLIS	3	--	--	3	2 adjustment pending
TOTALS	16	3	--	19	5 adjustment pending
OVERALL TOTALS FOR THE MONTH OF December, 1969	16	3	--	19	5 adjustment pending

John J. Degnan

cc: D. W. Miller
E. R. Kiehl
O. Mod, Research, J. V. R. G.

DX(CEL)-29

THE CELOTEX CORPORATION

INTER-OFFICE CORRESPONDENCE

January 2, 1970

FILE NO.

GENERAL OFFICE

SUBJECT:

OSHA FORMS 350
APPROVED AND PROCESSED
DURING DECEMBER, 1969

General Office	4
Atlanta	35
Boston	11
Charlotte	19
Chicago	32
Cincinnati	19
Detroit	17
Kansas City	70
Los Angeles East	13
Los Angeles North	3
New Orleans	27
New York	126
Oakland	9
Philadelphia	11
Pittsburgh	33
St. Louis	14
Texas	30
Twin Cities	66
TOTAL	501

RECEIVED
JAN 5 1970
INDUSTRIAL HYGIENE

A. P. Morse

APP:rab

340493

DX(CEL)-30

DX (CEL) 30

5-4

7/1

June 9, 1970

MAY SUMMARY REPORT - GYPSUM

W. G. Lees

SALES VERSUS BUDGET

The districts were not able to reach the assigned budget on gypsum partially due to declining selling prices, lack of construction and excess industry capacity.

CRUCIAL MARKET CONDITIONS

There has been further deterioration since the month of April in pricing and three of our areas are shown below:

Kansas - $27.00
Texas - $24.00
Alabama, Tennessee - $34.50

IMPORTANT ACTIVITIES

Jerry Finch traveled in the principal Texas markets and called on some dealers in the New Orleans area. He has filed a separate report on this trip with copy to you.

We have announced a price increase in six states in the Southwest; namely, Texas, Oklahoma, Kansas, Missouri, Arkansas and Louisiana. I have received copies of announcements from other manufacturers, such as U. S. G., Republic, and I have been advised by our sales districts that Texas Gypsum and Diorite (Weyerhaeuser) have notified dealers they are increasing their prices. We have not received evidence that Georgia-Pacific or National have raised their prices in these states at this time. Our increase was slated for June 1; however, we are meeting competition at the present time.

We are working on a new edition of our systems catalog for inclusion in Boosts for distribution to trade factors and salesmen.

We are starting to merchandise a new resilient channel for sound deadening developed by Clasings, Inc., our normal source for metal products. This channel does not, evidently, infringe on other patents and we are currently developing new price lists, literature and bulletins for our sales personnel.

We received an April preliminary gross profit for the gypsum plants and we note Port Clinton was drastically affected by the truck strike. In addition, competitive allowances given to General Drywall were charged against April rather than spread throughout the year. We are advised by Ray Leonard this will be corrected in the future.

322139

DX(CEL)-30

W. G. Lees, May Summary Report - Gypsum, 6/9/70, Page 2

We have cautioned those involved in Atlanta and Charlotte districts that we are going to have to work very hard to obtain necessary volume from Savannah over the next four months in order to reach our contractual requirement with our supplier. We are working closely with all sales personnel to handle this problem.

The competitive situation is now so keen I believe that in many metropolitan areas we will have to go to a 360 basis by counties, rather than individual 350's on nearly every order such as we are now doing. This has not been feasible in the past but the time is rapidly approaching when this will be necessary.

We again evaluated the 1971 proposed budget after studying the 8 months actual performance, and have made the necessary adjustments for your approval.

The new agreement with Flintkote has been approved and was effective on May 25, 1970, wherein our costs were lowered at Savannah and Fremont, and we lowered our selling price to Flintkote at Fort Dodge and Port Clinton.

We advised Georgia-Pacific that we were very interested in purchasing vinyl wallboard from their three plants at the prices quoted because they were very attractive price quotations. They are sending a representative, Mr. Meyer, to meet with our purchasing, advertising and marketing people in the near future to finalize the arrangements.

PATTERN OF COMPLAINT

Forms 350 were processed during the month as per the attached.

Quality complaints were processed during the month as per the attached. The complaints for the month of May were at an unusually low level; however, there were some quality investigations underway during the latter part of the month, due to additional problems at Port Clinton. I sent you a copy of the quality supervisor's report of his investigation in the Cincinnati District. It is my feeling, after reading his report and noting the problems we have had in the Pittsburgh and Detroit Districts in March and April, that executive management should be alerted to the possible need for some type of an audit to determine whether it is the paper we are purchasing or the manufacturing conditions that are causing field problems. In my opinion, all manufacturers occasionally have these types of quality problems, and if the complaint adjustments do not go beyond one per cent of gross sales, the condition is generally not alarming. One irate customer, improperly handled, may purchase elsewhere, and the money spent for an audit might be worthwhile, if all factors were more tightly controlled at the purchasing and manufacturing points.

D. W. Miller
Gypsum Merchandise Dept.

322140

DWMiller

Attachments

DX(CEL)-30

THE CELOTEX CORPORATION
INTER-OFFICE CORRESPONDENCE

June 1, 1970

GENERAL OFFICE

SUBJECT:

GYPSUM 350'S
APPROVED & PROCESSED
DURING MAY, 1970

General Office	13
Atlanta	21
Boston	13
Charlotte	11
Chicago	30
Cincinnati	25
Detroit	32
Kansas City	117
Los Angeles East	4
Los Angeles North	4
New Orleans	50
New York	117
Oakland	14
Philadelphia	11
Pittsburgh	46
St. Louis	57
Texas	82
Twin Cities	40
TOTAL	682

A. P. Peras

APP:rab

DX(CEL)-30

RECAP OF GYPSUM COMPLAINTS
BY PLANT
FOR THE MONTH OF MAY, 1970

PLANT	UNDER $250.00 #	OVER $250.00 #	OVER $1,000.00 #	PLANT TOTAL #	ADJUSTMENT PENDING
Port Clinton	2	--	--	2	3 Adjustment Pending
Marietta	1	--	--	1	0 Adjustment Pending
Fort Dodge	3	1	--	6	2 Adjustment Pending
Southard	2	--	--	2	2 Adjustment Pending
TOTALS	10	1	--	11	7 Adjustment Pending
OVERALL TOTALS FOR THE MONTH OF MAY, 1970	1,152.42	411.43	--	1,564.03	

PLANT	UNDER $250.00 #	$
Port Clinton	2	403.83
Marietta	1	35.00
Fort Dodge	3	405.72
Southard	2	308.05
TOTALS	10	1,152.42

John J. Dorgan

cc: D. W. Miller
E. R. Koch
G. Kod, Research, J. W. R. C.

DX(CEL)-31

DX (CEL) 31

July 7, 1970

JUNE SUMMARY REPORT - GYPSUM

W. G. Lose

SALES VOLUME REPORT

We were not able to reach our assigned budget, as in previous months, because of declining selling prices, lack of construction with excess industry capacity.

CURRENT SELLING CONDITIONS

Attached you will find the lowest competitive prices by states. These prices have declined to meet the competitive situation and are considerably below the list prices now published. Many of the states involved have increased prices now in effect since July 1, 1970.

PRODUCT ACTIVITIES

The price increase in the six states of the Southwest has been in effect since July 1 and there are very few jobs where, for competitive reasons, we had to price protect until the completion of the job. All Forms 350 affecting gypsum board products were cancelled July 1 in these six states.

We announced a price increase in the western states effective July 1, and all Forms 350 were cancelled. We published and sent out new lists in California and Nevada. The lists for the other states of Utah, Wyoming, Montana, Idaho, Oregon and Washington will be going out by the 13th.

Our current list for Arizona is the same as the new list published by competition so we simply cancelled 350's and are working from our published list. In Colorado, only American and Johns-Manville have announced an increase that we can determine. We are, therefore, waiting to see if other principal manufacturers will raise their price there before considering any announcement. There has been no competitive action in New Mexico; therefore, we will continue meeting competition as we find it.

On the Eastern Seaboard from Maine to Florida, Flintkote has announced an increase effective July 20. We are waiting to see if any other major manufacturers will make an announcement. In the meantime, we are only approving Forms 350 in this area until July 31.

We are still following very carefully the volume in the Savannah plant to see if we can "work up" to the 48 million foot before October 1. We have been short about one-half million feet per month of reaching our projected goal at this time.

322107

DX(CEL)-31

W. G. Lose, re June Summary Report - Gypsum, 7/7/70

Jerry Finch traveled in the Savannah plant area of South Carolina and Georgia, and has filed a separate report with copy to you. He was very discouraged about the possibilities of our developing additional volume in South Carolina where we have low freight out of Savannah.

During the month we entertained a few customers, one of whom was drywall contractor Charlie Ismar. Ismar advised that he was very happy with Celotex and thought our sales representative was one of the best in the industry.

A meeting was held with Research, attended by Mr. Burgess and Mr. Herbert, and separate minutes were processed. Several new products that are being worked on were discussed.

We are running a gross profit study on many Form 350 requests to be competitive, which is time consuming but necessary.

REVIEW OF ACTIVITY

Forms 350 were processed during the month as per the attached.

Quality complaints were processed during the month as per the attached.

We have not had any verbal complaints regarding quality. We followed the districts by wire (in the Port Clinton area) and were advised that our quality of board had improved.

We had some inventory problems at Port Clinton and several of the Flintkote plants where we purchase material. These problems were due primarily to the fact that the plants did not operate full weeks and some items of inventory were depleted. This has been brought to the attention of the Production Department and we have brought it to the attention of Flintkote. They plan to keep a more balanced inventory.

The Rock Products Magazine, May 1970, contains an article on Page 114 about the cement industry which in many respects parallels the problems with the gypsum business today. I will circulate this for your study.

D. W. Miller
Gypsum Merchandise Dept.

DWMiller

Attachments

322107

DX(CEL)-31

May, 1970

Our lowest competitive price by states is shown below

All Gilbert 4 mil

STATE	1/2" GYPSUM BOARD	5/8" FIRE-TEX
Alabama	$35.13	$40.87
Arizona	35.00	35.00
Arkansas	37.50	38.05
California	31.25	44.00
Colorado	38.00	40.13
Connecticut	32.00	40.13
Delaware	36.91	40.87
Washington, D. C.	37.91	38.87
Florida	39.21	38.17
Georgia	35.00	44.67
Idaho	38.34	34.41
Illinois	32.00	40.50
Indiana	34.33	43.57
Iowa	32.00	47.74
Kansas	33.50	40.03
Kentucky	35.00	44.43
Louisiana	27.30	44.11
Maine	44.43	41.00
Maryland	36.91	40.87
Massachusetts	35.60	40.32
Michigan	34.58	47.75
Minnesota	35.20	43.00
Mississippi	35.00	47.10
Montana	38.50	32.82
Missouri	27.00	38.05
Nebraska	32.00	42.00
Nevada	36.00	35.10
New Hampshire	31.44	47.69
New Jersey	31.00	40.00
New Mexico	32.67	44.71
New York	31.00	40.00
North Carolina	34.82	40.87
North Dakota	43.32	39.57
Ohio	33.00	47.97
Oklahoma	25.50	41.50
Oregon	38.58	35.74
Pennsylvania	32.20	42.13
Rhode Island	35.60	40.32
South Carolina	34.82	40.43
South Dakota	41.13	36.59
Tennessee	31.00	41.50
Texas	24.00	36.50
Utah	35.00	40.00
Vermont	31.44	47.69
Virginia	36.63	30.87
Washington	36.63	32.36
West Virginia	37.99	40.11
Wisconsin	34.82	40.43
Wyoming	34.39	40.36
AVERAGE	34.90	40.04

322132

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DX (CEL) 32

5-4

9/1

August 5, 1970

JULY SUMMARY REPORT - OTHER

W. G. Lane

SALES INCOME REVIEW

We were not able to reach our assigned budget, as in previous months, because of declining selling prices, lack of construction with excess industry capacity.

PROMOTIONAL ACTIVITIES

The prices in the western states, which we announced July 1, remain in effect. There is no change in this situation since our July 7 report summarizing June. The July 1 announcement in the southwestern states of Texas, Kansas, Arkansas, Missouri, Louisiana, Oklahoma and a few counties in Illinois near St. Louis was rescinded in order to be competitive. U.S.G. published the attached letter and we elected to be competitive up to September 30, 1970.

We announced a price increase in all the remaining states effective August 3; however, we are meeting the competition of National Gypsum Company who did not announce an increase until August 10.

Some of the competitive manufacturers are protecting prices on jobs either through their dealers or, in some cases where they sell the drywall contractor, direct. We are being competitive when profitable where we can verify the information, such as seeing a written document, where a Celotex representative overhears of this protection, or where the customer will sign an affidavit.

We have not met any competitive situation beyond this calendar year. Forms 350 will be cancelled in the states where the new price is effective August 10, unless we have made a commitment such as above on certain jobs in order to be competitive.

We had asked the Atlanta and Charlotte Districts to make an extreme effort to sell 4,300,000 feet each month prior to October 1, so that we would reach the minimum of 48 million feet for the contract year at Savannah. Credit is due these two districts in that they sold nearly 4,800,000 feet during the month of July.

Jerry Flash traveled in the New York, New Jersey and New England area one week of the month and a separate report has been filed. I took the second week of my vacation.

322134

DX(CEL)-32

W. G. Lees, July Summary Report - Gypsum, August 3, 1970, Page 2

We entertained several visitors this month, including R. E. White and Dick Beasa from Texas; Vern Cagle, Joe Wooten and Homer Brewster, and others.

We negotiated a reduced cost on ready mix which we purchase from three locations owned by National Gypsum Company.

The latest industry sales comparison report shows that in the month of May, we regained our position which we lost in April due to the Port Clinton area truck strike. It is interesting to note that our gypsum sheathing percentage of the industry improved considerably.

PATTERN OF DISTRICT

Forms 350 were processed during the month as per the attached.

Quality complaints were processed during the month as per the attached.

One customer (Andersen) in the Detroit District continues to complain about the Port Clinton board, and he called you last Friday. We had John Hoffman and Charles Hauke visit this customer. It is my understanding the matter is being handled, and we will follow. The Port Clinton Plant will submit a written report which should be forthcoming shortly.

Our plants were busy last week and we found several instances where orders could not be filled the same day because of inventory problems. Due to the pending price increase, we recommended that the plants operate over the weekend to balance their inventory needs.

D. V. Miller
Gypsum Merchandise Dept.

DVMiller

Attachments

322175

DX(CEL)-32

UNITED STATES GYPSUM COMPANY

RECEIVED JUL 23 1970 GYPSUM MERCH

July 22, 1970

TO OUR CUSTOMERS

In the Area Described Below

Gypsum Board Price Change

Following the July 1 effective date of our most recent price change, our field representatives found extensive evidence that two major competitors had solicited and made commitments for job protection at severely depressed June prices. Our representatives also found that another major competitor had taken no action to increase prices.

Therefore, effective immediately, USG prices on gypsum wallboard, lath and sheathing will be as shown on the attached price bulletin (Attachment I). During the period these prices are in effect, there will be no exceptions from the bulletin.

The new prices shown on the attached list will remain in effect through September 20, 1970.

Effective with all shipments made on and after September 21, 1970, gypsum wallboard, lath and sheathing will be priced according to the list which was effective July 1, 1970. A copy of this list is also provided (Attachment II). Prices will be as shown on our list without exception.

Terms for payment remain 2% 20th PM, net 10th second PM.

Very truly yours,

UNITED STATES GYPSUM COMPANY

AREA

States of Arkansas, Louisiana, Missouri, Oklahoma, Texas, Kansas, (except Counties of Cheyenne, Decatur, Greeley, Gove, Lane, Logan, Rawlins, Sheridan, Sherman, Thomas, Wallace, and Wichita), and Illinois Counties of Bond, Clinton, Calhoun, Jersey, Madison, [illegible], Randolph, and St. Clair.

Rec'd from C. R. Hayward

BEST COPY AVAILABLE

DX(CEL)-32

THE CELOTEX CORPORATION
INTER-OFFICE CORRESPONDENCE

July 31, 1970

GENERAL OFFICE

SUBJECT:
GYPSUM 350'S
PROCESSED DURING JULY, 1970

General Office	9
Atlanta	38
Boston	14
Charlotte	33
Chicago	26
Cincinnati	20
Detroit	17
Kansas City	18
Los Angeles East	4
Los Angeles North	6
New Orleans	12
New York	31
Oakland	31
Philadelphia	6
Pittsburgh	24
St. Louis	30
Texas	26
Twin Cities	44
TOTAL	409

A. P. Parce

P. P.
AUG 3 1970

APP:rab

DX (CEL) 43

A G R E E M E N T

Between

UNITED STATES GYPSUM COMPANY

and

THE CELOTEX CORPORATION

MacLEISH, SPRAY, PRICE & UNDERWOOD
CHICAGO

340501

1-7 REVISED 5-10-60

AGREEMENT made this ___ day of _____, 1960, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation having its principal office and place of business at Chicago, Illinois (hereinafter called Seller) and THE CELOTEX CORPORATION, a Delaware corporation having its principal office and place of business at Chicago, Illinois (hereinafter called Buyer),

W I T N E S S E T H:

WHEREAS, the Seller manufactures mineral wool and mineral wool products for use in the insulation of walls, ceilings, and floors of building structures; and

WHEREAS, Buyer desires to purchase mineral wool and mineral wool products manufactured by the Seller for resale to distributors of and dealers in building materials;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

(1) Definitions. The term "mineral wool products" whenever used in this Agreement means mineral wool products manufactured by Seller at any time during the term of this contract and sold for use in the insulation of walls, ceilings, and floors of building structures. Seller now manufactures and sells for such uses enclosed batts in thicknesses 1½ inch, 2 inches and 3 inches and in various widths and lengths; open faced batts if specially ordered in thicknesses up to 6 inches and in various widths and lengths; blankets (enclosed in

thicknesses 1½ inches, 2 inches and 3 inches and in various widths and lengths; and granulated wool.

The term "mineral wool products" does not include

(i) Industrial mineral wool products manufactured and sold by the Seller for use in the manufacture of other products;

(ii) Any rigid or board-like mineral wool products except perimeter insulation.

(2) Agreement to Buy and Sell. Seller agrees to manufacture for and sell and deliver to Buyer and the Buyer agrees to purchase from Seller and receive and pay for, all of Buyer's requirements of mineral wool products for resale in the building material field, excepting, however (a) quantities required by Buyer in any calendar month from any of Seller's plants in excess of the quantities available to Buyer at said plant; and (b) quantities required by Buyer for resale in the territory described in Exhibit A attached hereto.

(3) Quality. All mineral wool products delivered by Seller hereunder shall be of good and merchantable quality and equal in quality to the mineral wool products which the Seller manufactures and sells in the building material field.

(4) Prices. Buyer agrees to pay for all mineral wool products delivered hereunder;

(a) With respect to batts and blankets: Seller's published dealer price in effect at time of shipment less 23% of the amount obtained by deducting from such published dealer price any functional discount allowed hereunder, average freight and the allowable cash discount; provided, however, that such discount will be 20% when shipment is made by truck into the extended trucking Zone indicated on the attached map;

(b) With respect to granulated pouring wool; Seller's published dealer price in effect at time of shipment less 18% of the amount obtained by deducting from such published dealer price any functional discount allowed hereunder, average freight and allowable cash discount;

(c) With respect to granulated blowing wool, Seller's published F.O.B. plant prices shown in Exhibit C attached hereto, subject, however, to change by Seller on thirty (30) days notice;

provided, however, that if at any time or times Seller's published dealer price of any mineral wool product or products covered by (a) and (b) above in any area is more than 8% below Seller's published dealer price in effect on the date of this contract, then Seller's published dealer price for such product or products shall be considered for the purpose of this contract to be the published dealer price in effect on the date of this

contract less 8% thereof; and if Buyer is unwilling to accept such price, then Buyer and Seller shall attempt to negotiate a selling price, and in the event an agreement cannot be reached, then Buyer shall have no obligation to purchase such mineral wool product or products from Seller for resale in such area so long as such condition exists.

Seller will allow Buyer a functional discount of 6% off the published dealer price to the extent that Buyer resells batts, blankets and granulated wool to distributors located in the area described in Exhibit B attached hereto who resell to dealers and applicators.

In view of extremely low prices now current in California, Arizona and Nevada, the Seller will endeavor to arrive at an agreement with Buyer on a price which will permit Buyer to do business in those areas, but in the event no agreement can be reached, the Buyer shall have no obligation to purchase from Seller for resale in those States unless and until agreement is reached or the prices in those areas increase to prices substantially equal to those in effect in adjoining States.

In the event Seller shall at any time or times increase or decrease its published dealer prices for any mineral wool product or products, Seller shall notify the Buyer thereof at the same time it notifies its other customers or its own sales force, whichever is earlier; and if the effective date of any such price

increase or decrease is delayed or extended beyond the time originally fixed by Seller with respect to its other customers, prompt notice thereof shall be given to the Buyer and the effective date shall also be delayed or extended as to sales to the Buyer. In the event of a decrease in Seller's published dealer prices for any mineral wool product or products, shipments in transit on the effective date of such decrease will be invoiced by Seller to Buyer at the decreased prices, provided that the shipment was in transit and not delivered when the price decrease became effective. This paragraph shall not apply to granulated blowing wool which is sold and delivered F.O.B. Seller's plants.

(5) Shipments and Deliveries. All sales and deliveries hereunder (except with respect to blowing wool) shall be F.C.B. rail cars or trucks at the destination of Buyer's customer, unless Seller shall change its method of making sales and deliveries to its own building material dealers, in which event sales and deliveries to the Buyer shall be made on the basis which Seller then uses; and all such deliveries will be made by Seller to Buyer by the same method of transportation (rail and/or truck) used by Seller in making deliveries to its own customers in the same area or market; and the cost of transportation will be paid by Seller, provided, however, that any excess or additional transportation costs or charges resulting from stopoffs, diversion, and delays, shall be borne by Buyer.

All sales and deliveries of blowing wool hereunder shall be made F.O.B. rail cars or trucks at Seller's plant of shipment as designated by Buyer.

(6) Orders, Shipments and Invoices. All mineral wool products delivered hereunder by Seller to Buyer shall be on written or telegraphic order from Buyer (or telephone order confirmed by letter or telegram) which will specify the type, kind, and specification of mineral wool products ordered, the quantities and the destination of the shipment, and the method of transportation if Seller utilizes more than one method of transportation in delivering to its own customers. Seller shall arrange for and secure the necessary transportation and prepare all bills of lading showing Buyer as the shipper.

Invoices will be rendered by the Seller to the Buyer promptly covering all deliveries made by Seller hereunder and such invoices will be payable by Buyer within thirty days after receipt of such invoices. Terms of payment are net.

(7) Limitation of Seller's Obligation to Sell and Deliver. Seller shall not be obligated to deliver to Buyer in any calendar month quantities of wool in excess of the quantity shown in Columns 3 and 4 of the following schedule:

Schedule

	Present Capacity Per Calendar Month		Quantities Available for Purchase Each Month	
	I	II	III	IV
	Bags of Granulated Wool	Bags of Batts or Blankets	Bags of Granulated Wool	Bags of Batts or Blankets
Seller's Plant				
Wabash, Indiana	80,000	120,000	0	0
South Plainfield, N.J.	80,000	120,000	12,000	40,000
Red Wing, Minnesota	80,000	80,000	5,000	12,000
Birmingham, Alabama	80,000	80,000	30,000	25,000
Torrance, California	80,000	80,000	15,000	30,000
Tacoma, Washington	120,000	80,000	5,000	10,000
Corsicana, Texas	80,000	80,000	12,000	40,000
	600,000	640,000	79,000	157,000

Bags of granulated pouring wool manufactured at the above-named plants will contain approximately 5.5 cubic feet of wool and bags of batts and blankets will contain approximately 13 cubic feet of wool. Bags of granulated blowing wool will contain the approximate quantities listed in Exhibit C at Seller's various plants.

The maximum number of bags of granulated wool which Seller will be required to include in mixed carload or truckload shipments shall be as follows: Carload - 18# bags 400, 25# bags 200; Truckload - 18# bags 200, 25# bags 100.

In the event of any increase or decrease in the capacity of any plant to produce granulated wool or batts and blankets, then the number of bags of such products which Seller shall thereafter make available to the Buyer from such plant shall be increased

or decreased, as the case may be, in the same ratio that such increase or decrease in the capacity of such plant to produce such products bears to the capacity of such plant to produce such products as shown above.

Should Seller build or acquire any additional mineral wool plant or plants at which the Seller produces mineral wool products, Seller agrees, beginning at the time Seller commences regular commercial production at such plant, it will thereafter make available for purchase by the Buyer during each calendar month, the number of bags of granulated wool and the number of bags of batts and blankets which shall be determined by applying to the capacity of such additional plant the same ratio which the total number of bags of such product which Seller is required immediately prior to such acquisition to make available each month for purchase by Buyer from all of its plants (except Wabash, Indiana) bears to the total capacity of all such plants (except Wabash, Indiana).

Inasmuch as Seller is agreeing to reserve at each of its plants a substantial amount of machine time in order to fill Buyer's orders, if Buyer, except for force majeure or Seller's inability to furnish products, has not placed orders during the contract year covering 80% or more of its entire allocation at a plant for product or products, then Seller may reduce Buyer's allocation for such product or products at such plant during the following year by 50% of the difference between 80% of the

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allocation and the quantity taken during the previous contract year. In determining the volume of Buyer's orders placed during the contract year, only firm orders placed before the close of the contract year, specifying shipment during said year, shall be counted.

(8) Containers. Batts will be delivered in multi-wall paper tubes and granulated wool will be delivered in multi-wall paper bags of size and quality equivalent to the size and quality used by Seller in packaging these products for its own trade. Containers and products will be printed by Seller with such trade-marks, trade names, and statements as Buyer shall specify from time to time and Buyer will pay therefor only such amounts as are in excess of Seller's cost of printing its own bags and products. Buyer will furnish to Seller at Buyer's cost all art work necessary for printing.

In the event Buyer makes any change in printing specifications resulting in unused containers, Buyer shall either use up the excess or pay the Seller the cost of the bags and printing; and in the event at the end of this contract by lapse of time or otherwise, there are any unused containers with Buyer's trade name or trade-mark printed thereon, Buyer will pay to Seller the cost of such bags and printing; provided, however, that in connection with either event Buyer shall not be required to use up or pay for a total number of bags in excess of three times the number of bags needed to supply Buyer with the total quantity of products listed

in Columns III and IV of Section 7 hereof.

(9) Service. All deliveries shall be made by Seller at the time specified in the order or if it is impossible to do so, then with the same promptness as Seller ships the orders of its own or other customers. In the event at any time or times Seller allocates its production at any plant, Buyer's orders will be shipped at a weekly rate proportionate to the quantities available as set forth in Section 7 hereof. Seller will serve the area from the plant from which the cheapest transportation rates prevail and shall not be obligated to cross-ship into the natural freight area of another plant. In the event the plant of the Seller which would normally ship and deliver products to a particular area fails or is unable because of force majeure to fill Buyer's orders for shipment and delivery into such areas, Buyer may request that Seller make shipment from its other plant having the lowest rail or truck rates to destination and Seller shall do so if it has excess capacity at such plant, but in such case Buyer shall pay the difference in freight between the normal shipping plant and the alternate shipping plant.

(10) Samples. Seller agrees to furnish the Buyer without charge (except for freight) a reasonable quantity of samples of mineral wool products as required by Buyer. Buyer will at its own expense furnish Seller with suitable containers for packaging such samples and Seller will furnish without charge the labor necessary to fill such containers.

(11) Force Majeure. Seller shall not be liable for any failure to ship or delay in shipment because of fire, floods, earthquakes, tornadoes, or other acts of God; or riots, strikes, or other labor disturbances, inability to secure transportation facilities, inability to secure materials or labor; or any condition or circumstance reasonably beyond Seller's control.

(12) Trade-marks and Patents. Nothing herein contained will give Seller any property or interest in Buyer's trade-marks or trade names.

Seller represents that mineral wool products delivered hereunder will not infringe any letters patent of the United States and agrees to indemnify and hold harmless the Buyer and its customers and users of said mineral wool products from any claims or demands for infringement of any such letters patent.

Seller agrees to defend at its own cost and expense suits brought against Buyer or any of its customers or users for infringement of any such letters patent of the United States and pay any judgment which may be rendered against Buyer, its customers, or users for or on account of such infringement.

In case any claim should be made that any of the mineral wool products delivered to Buyer hereunder infringe the patent or patent rights of another or others, and Seller shall be advised by its patent attorneys that said claim is or may be well founded, then Seller shall, at its election, have no obligation to sell and

deliver such mineral wool products hereunder until the question shall have been determined in favor of Seller by a court of competent jurisdiction from which no appeal can be or has been timely taken.

(13) Quality Complaints or Adjustments. In cases involving products proved to be defective, Seller will treat Buyer in the same manner as Seller treats its own customers. Notwithstanding the foregoing, Seller shall have no responsibility of any nature to Buyer or Buyer's customers with respect to any payments or allowances made by Buyer for reasons of customer relationships, good will, or other policy reasons, and Seller's liability shall be confined to cases where defective or substandard products have been delivered by it hereunder, and Seller shall not be liable for any consequential damages.

(14) Taxes. Buyer shall pay all sales or use taxes or other similar excise charges which may be levied or imposed by federal, state or local authorities in respect of sales made by it, and Seller shall be liable for taxes, excises, fees or other governmental charges which Seller is required to absorb pursuant to any provision of law applicable to sales made to Buyer hereunder.

(15) Term. This Agreement shall be in force and effect for a period of five (5) years from the date hereof and shall continue thereafter from year to year, provided, however, that Buyer may terminate this Agreement at the end of one (1) year from

the date hereof or at the end of any year thereafter upon giving Seller at least six (6) months' prior written notice, and Seller may terminate this Agreement at the end of the original five (5) year period, or at the end of any year thereafter, upon at least six (6) months' prior written notice.

(16) Notice. Any notices required or permitted to be given to the Seller hereunder shall be given by registered mail, postage prepaid, at 300 West Adams Street, Chicago 6, Illinois, and to the Buyer at 120 South LaSalle Street, Chicago, Illinois, and such mailing of notice shall constitute service of notice hereunder.

(17) Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Seller and Buyer, but may not be assigned voluntarily or by operation of law except upon the prior written consent of the other.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

UNITED STATES GYPSUM COMPANY

ATTEST:

F. L. Stellar
Secretary

By _____
President

THE CELOTEX CORPORATION

ATTEST:

_____
Secretary

By _____
PRESIDENT

EXHIBIT A

Entire States which Seller supplies from its Lagro, Indiana, plant: Illinois, Indiana, Ohio, Kentucky and West Virginia.

Michigan	- Entire lower Peninsula and counties of Schoolcraft, Luce, Mackinac and Chippewa
New York	- Counties west of and including Orleans, Genesee, Erie, Cattaraugus
Pennsylvania	- Counties west of and including McKean, Cameron, Clearfield, Cambria, Somerset
Missouri	- Counties east of and including Howell, Texas, Pulaski, Maries, Moniteau, Callaway, Audrain, Ralls, Marion, Lewis, Clark
Iowa	- Counties of Lee, Des Moines, Louisa, Muscatine, Scott, Clinton, Jackson, Dubuque
Wisconsin	- Counties south of and including Grant, Richland, Sauk, Columbia, Dodge, Washington, Manitowoc

This exhibit is subject to change by agreement of the parties.

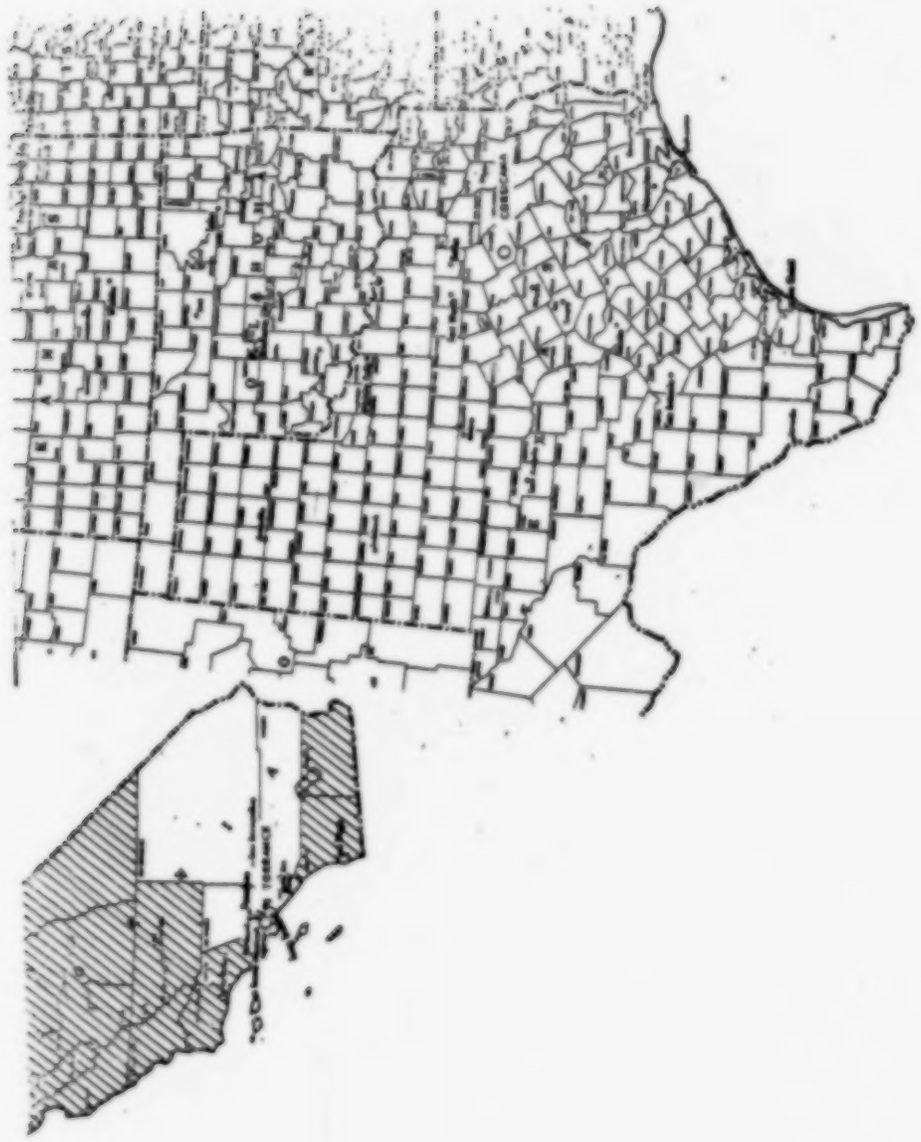
EXHIBIT B

The States of Washington, Oregon, Idaho, and that portion of Montana lying West and South of the Counties of Liberty, Chouteau, Fergus, Petroleum, Rosebud, Treasure, and Big Horn.

EXHIBIT C

PUBLISHED F.O.B. PLANT PRICES ON BLOOMING WOOL

South Plainfield,	N.J.....$0.73/bag	(approx. 30 lb. per bag)
Birmingham,	Ala.....	" " (" " " " ")
Red Wing,	Minn.....	" " (" " " " ")
Corsicana,	Texas....	" " (" " " " ")
Torrance,	Calif....$0.82/	" (" " " " ")
Wabash,	Indiana..	---- (no allottment) ----
Tacoma,	Wash.....$0.73/bag	(approx. 25 lb. per bag)



AREA A
AREA B

DX (CEL) 44

AMENDATORY AGREEMENT

AMENDMENT NUMBER 1

THIS AGREEMENT made this 11th day of MAY, 1962, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation having its principal office and place of business at Chicago, Illinois (hereinafter called SELLER) and THE CELOTEX CORPORATION, a Delaware corporation having its principal place of business at Chicago, Illinois (hereinafter called BUYER),

WITNESSETH:

WHEREAS, the parties hereto entered into that certain Agreement dated June 1, 1960 relating to the sale and purchase of mineral wool and mineral wool products; and

WHEREAS, the parties desire to amend said Agreement in the manner hereinafter provided;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Effective with the date hereof SELLER agrees to manufacture for and sell and deliver to BUYER such quantities of mineral wool products as may be ordered by BUYER for resale in the building material field for shipment from SELLER's Wabash, Indiana plant for resale by BUYER in the territory described in Exhibit A attached to the aforesaid contract between the parties; provided, however, that SELLER's obligation under this paragraph shall not exceed 25,000 bags of granulated wool and 50,000 bags of batts or blankets, in any calendar month, and provided further, that either party may cancel this Amendment in so far as it relates to the purchase and sale of mineral wool products from SELLER's Wabash, Indiana plant at any time upon at least six (6) months prior written notice to the other party.

2. Except as herein specifically amended, the aforesaid Agreement between the parties hereto dated June 1, 1960 shall remain in full force and effect according to its term.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

ATTEST:

[illegible]
Asst. Secretary

UNITED STATES GYPSUM COMPANY

By G. J. Watt
Vice Pres.

ATTEST:

John H. Adamson
Assistant Secretary

THE CELOTEX CORPORATION

By Marvin Greenwood
Vice President

340502

DX (CEL) 45

May 11, 1962

UNITED STATES GYPSUM COMPANY
300 West Adams Street
Chicago 6, Illinois

Gentlemen:

Reference is made to Agreement dated June 1, 1960 between United States Gypsum Company and The Celotex Corporation, and Amendment No. 1 to said Agreement dated May 11, 1962.

Pursuant to said Agreement as amended, we hereby give notice of our desire to terminate Amendment No. 1, insofar as it relates to the purchase and sale of mineral wool products from your Wabash, Indiana Plant, effective six (6) months from the date hereof.

We also wish to advise that effective six (6) months from the date hereof, we wish to discontinue purchase of products for sale in the California, Arizona and Nevada areas since the prices in such areas have continued to be unstable.

Would you please indicate your receipt of this notice by signing the duplicate copy of this letter and returning the same to us.

Very truly yours,

Marvin Greenwood
Vice President

NOTICE
ACCEPTED:

UNITED STATES GYPSUM COMPANY

By _____

Date _____

340503

United States Gypsum Company

101 South Wacker Drive, Chicago 6

June 14, 1963

EX (DEL) 46

Mr. Marvin Greenwood
Celotex Corporation
120 South LaSalle Street
Chicago, Illinois

Dear Marvin:

In several recent discussions relative to our contract to sell you insulating wool products, you have requested information regarding the projected timing of our marketing a glass fiber type of insulating wool.

As we have previously advised you, research work on converting our manufacturing facilities to produce a glass fiber wool looks promising, and we hope to be marketing such a product by the middle of 1964.

Although we cannot establish final costs and selling prices at this time, we would expect our glass fiber product to be fully competitive in quality and price with similar types of materials currently offered for sale by other producers.

In recognition of the problems you have set forth regarding the profit return which might be sacrificed were you to continue the distribution of our wool products, we offer the following adjustment in pricing effective upon acceptance.

In the area normally serviced by our plants at Wabash, Indiana; South Plainfield, New Jersey; Red Wing, Minnesota; Birmingham, Alabama; Corsicana, Texas, we are currently adjusting downward from our published dealer price by giving four 6% discounts in order to meet lower competitive prices. We now propose to give you a discount of 17% off this adjusted price so that your net delivered cost, computed according to our usual method, would be:

Published Price
Less 4-6%
Less Average Freight
Less 2% Cash Discount
Less your Discount of 17%
Plus Average Freight

340304

Mr. Marvin Greenwood
Celotex Corporation
June 14, 1963
Page 2

These prices apply only to batts and blankets and the prices on granulated pouring wool and granulated blowing wool will remain at previously established prices.

The current four 6% discounts from published dealer prices are based upon meeting competition and we reserve the right to discontinue these special discounts and to increase your net cost on the basis of the existing formula of our contract, namely, in an amount equal to 77% of the increase in our net dealer prices.

With the above price change it is our understanding that our present contract will remain in effect at all plants. Your acceptance of this offer withdraws your letter of May 31, 1963, covering notice of contract termination and may be indicated by signing and returning a copy of this letter to us.

Very truly yours,

UNITED STATES GYPSUM COMPANY

A J Watt

A. J. Watt
Vice President - Marketing

AJW:pjq

ACCEPTED
Marvin Greenwood
6/21/63

250-365 O - 77 - vol. 6 - 24

BX (CH) 47

AMENDATORY AGREEMENT

Amendment Number 2

This Agreement, made this 27th day of November, 1963, by and between United States Gypsum Company, an Illinois corporation having its principal office and place of business at Chicago, Illinois (hereinafter called "Seller"), and The Celotex Corporation, a Delaware corporation, having its principal place of business at Chicago, Illinois (hereinafter called "Buyer"),

WITNESSETH:

Whereas, the parties hereto entered into that certain Agreement dated June 1, 1960, relating to the sale and purchase of mineral wool and mineral wool products, and

Whereas, said Agreement was amended by an Amendatory Agreement entitled Amendment Number 1, dated May 11, 1962, and was further amended by letter agreement dated June 14, 1963, and

Whereas, the parties now desire to further amend said Agreement in the manner hereinafter provided.

Now, Therefore, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

1. That Paragraph 15 of said Agreement, as amended, shall be deleted in its entirety, and the following substituted therefor:

> "(15) Term. This Agreement shall be in force and effect for a period of five (5) years from the date hereof and shall continue thereafter from year to year, provided, however, that either Buyer or Seller may terminate this Agreement effective at any time on or after June 1, 1964, by giving the other party at least ninety (90) days' written notice."

2. Except as herein specifically amended, the aforesaid Agreement between the parties hereto dated June 1, 1960, as previously amended, shall remain in full force and effect according to its terms.

In Witness Whereof, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Attest:
R. H. Gustafson
Asst. Secretary

United States Gypsum Company
By G. J. Watt
Vice President

Attest:
L. W. Robinson
Asst. Secretary

The Celotex Corporation
By Marvin Greenwood
Vice President

340503

United States Gypsum Company
101 South Wacker Drive, Chicago 6

July 23, 1964

BX (CH) 48

Mr. Marvin Greenwood
Vice President
The Celotex Corporation
120 South LaSalle Street
Chicago, Illinois 60603

Dear Marvin:

Confirming our various conversations, we will agree, effective with shipments made after midnight July 19th through December 31st, 1964, to give The Celotex Corporation a 5% discount off our F.O.B. Plant and F.O.B. Delivered billing prices on each shipment of mineral fiber home insulation provided not more than 100 bags of S. C. Blowing Wool are included in any given shipment. If more than 100 bags of S. C. Blowing Wool are included in any shipment, the 5% discount will not apply. Aside from the above mentioned discount, our present pricing policies will apply, the reason for this being in case of a price increase or decrease. The Celotex Corporation, in turn, will agree to continue to purchase its mineral fiber home insulation requirements from U. S. Gypsum Company through December 31, 1964 and after that date either party will be subject to a ninety-day cancellation, but the above described 5% discount will continue to apply through 1965 or until this agreement is canceled by either party.

Very truly yours,

UNITED STATES GYPSUM COMPANY
G. J. Watt
A. J. Watt
Vice President - Marketing

Accepted by
The Celotex Corporation

Date.

340503

United States Gypsum Company

101 South Wacker Drive, Chicago 6

May 25, 1964

EX (CEL) 49

Mr. Henry W. Collins, President
The Celotex Corporation
120 South LaSalle Street
Chicago 3, Illinois

Dear Mr. Collins:

Pursuant to our discussions, we propose that our mineral wool license agreement with The Celotex Corporation, dated July 9, 1954, be modified as follows:

Royalties or license fees based on mineral wool in loose or granulated form, or contained in products in which material in either or both of such forms constitutes the only mineral wool ingredient, shall accrue at the times specified in said agreement but, instead of being computed and paid as provided in said agreement, shall be computed and paid as follows:

(a) At the rate of Two Dollars ($2.00) per ton on the first 25,000 tons or part thereof of such mineral wool on account of which such royalties or license fees shall accrue during each calendar year ending hereafter, or alternatively in the aggregate amount of $25,000 on the said 25,000 tons or part thereof, whichever shall result in the lesser sum; and

(b) At the rate of One Dollar ($1.00) per ton on any and all such mineral wool in excess of 25,000 tons on account of which said royalties or license fees shall accrue during each said calendar year.

In all other respects and as to all other forms of mineral wool, said License Agreement of July 9, 1954 shall continue in full force and effect.

340507

If the foregoing meets with your approval, please indicate your acceptance by signing at the lower left-hand corner of one of the two copies of this letter and then returning it to us.

Very truly yours,

UNITED STATES GYPSUM COMPANY

Graham J. Morgan
President

Agreed to:

THE CELOTEX CORPORATION

By Henry W. Collins

DATED 6/1/64

DX(CEL)-61

DX (CEL) 61

MEETING COMPETITION OF SINGLE PLANT PRODUCERS

THE CELOTEX CORPORATION -- FORM 350 AND 360 REQUESTS FOR GYPSUM BOARD

YEAR	NUMBER OF REQUESTS APPROVED
1966	22
1967	132
1968	260
1969	381
1970	185
Total	979

Total number of requests disapproved, 1966 - 1970: 24

Requests shown are for exceptions to the Celotex published list price or regular terms and conditions of sale, where the only reported competition was one or more single plant producers.

Single plant producers involved were Barrett (prior to August 1, 1967), Dierks (Weyerhauser Company), Texas Gypsum Company, Grand Rapids Gypsum Company, American Gypsum Company, Republic Gypsum Company and Ruberoid (GAF Corporation).

DX(CEL)-62

DX (CEL) 62

MEETING COMPETITION OF OTHER GYPSUM MANUFACTURERS

THE CELOTEX CORPORATION

FORM 350 and 360 REQUESTS FOR GYPSUM BOARD, 1969 - 1973

YEAR	NUMBER OF REQUESTS APPROVED
1969	6,893
1970	5,331
1971	1,346
1972	1,414
1973	1,811
Total	16,795

Total number of Requests Disapproved, 1969 - 1973: 402

Requests shown are for exceptions to the Celotex published list price or regular terms and conditions of sale, to meet the reported competition of one or more other manufacturers of gypsum board.

DEALER PRICE BULLETIN

CELOTEX GYPSUM PRODUCTS

BX (CEL) 67

AREA: 1701

EFFECTIVE: JUNE 14, 1971

MICHIGAN - Counties of Genesee, LaPeer, Macomb, Oakland, St. Clair, Washtenaw and Wayne. P 506

Effective with shipments on and after June 14, 1971 our prices on the following Gypsum products in the area outlined above will be:

	PRICE PER M SQ. FT. C/T SOMF & T/L 50MF
CATEGORY 1	
1/4" Wallboard	$ 38.00
3/8" Wallboard	40.00
1/2" Wallboard	43.00
5/8" Wallboard	52.00
1/2" Fi-Rok Wallboard	52.00
5/8" Fi-Rok Wallboard	56.00
1" Coreboard	114.00
1/4" Sound Deadening Board	40.50
Backer Board and) - Deduct $1.00/MSF from price	
Jumbo Baseboard) same thickness wallboard.	
CATEGORY 2	
Foil-Backed Products - Add $20.00/MSF to price same product without foil.	
CATEGORY 3	
3/8" Vinyl Wallboard	178.00
1/2" Vinyl Wallboard	188.00
5/8" Vinyl Wallboard	198.00
1/2" Fi-Rok Vinyl Wallboard	209.00
5/8" Fi-Rok Vinyl Wallboard	218.00
CATEGORY 4	
1/2" Bath/Backer Board	75.00
5/8" Bath/Backer Board	83.00
5/8" Fi-Rok Bath/Backer Board	92.00
CATEGORY 5	
3/8" Lath	34.50
1/2" Lath	38.00
Long Length Lath - Deduct $1.00/MSF from price same thickness wallboard.	
CATEGORY 6	
1/2" Sheathing (treated)	53.00
1/2" Sheathing (non-treated)	52.00

For 12½ ton minimum stopover trucks or 10 tons per stop via rail, add to above prices as follows:

All products except 1" Coreboard	$1.00/MSF
1" Coreboard	2.00/MSF

The above prices are subject only to our usual cash discount. It is our policy that prices on jobs will not be protected.

CONSULT YOUR CELOTEX REPRESENTATIVE FOR PRODUCTS AVAILABLE AT EACH PLANT

THE CELOTEX CORPORATION
Subsidiary of Jim Walter Corporation

P 506

TERMS AND CONDITIONS OF SALE

1. SALES POLICY
Products will be sold in those areas and to those customers as we shall specify from time to time in Area Price Bulletins. Notice of change in policy will be given as we deem practicable.

2. ACCEPTANCE OF ORDERS
All sales are deemed to have been accepted by the Corporation at its General Offices, Tampa, Florida, when they are either acknowledged or shipped.

3. FLAT CAR SHIPMENTS
The minimum flat car shipment shall be 70,000 lbs. of board products. Plaster products cannot be shipped in flat cars.

4. 80,000 LB. MAX CAR WEIGHT FOR COMPARATIVE PLASTER
If Plaster products are included in an 80,000 lb. box car containing board products, the 80,000 lb. maximum freight rate does not apply, but the dealer prices of all products in shipment shall be the published prices for 80,000 lb. box cars.

5. MIXED AND STOPOVER CARLOADS
Carload prices applicable to the total weight of the shipment, to point of delivery of each part of car, shall apply. Part carload shipments (delivered to one rail destination) may be made in box cars, or in flat cars provided no bag goods are included.
Stopover carload shipments shall be made in box cars only. In arranging stopover shipments the distances between the first stopover point and final destination shall be restricted to 200 miles or less.

6. STOPOVER CHARGES, SWITCHING CHARGES AND OTHER SPECIAL CHARGES
Any charge for switching or other special transportation or delivery services incurred because of Buyer's request must be absorbed by Buyer. Such charges when incurred by Celotex for its convenience will be absorbed by Celotex. When cars are stopped enroute for partial unloading the Buyer must comply with all published regulations applicable to such stopover. Penalties or charges assessed for failure to so comply shall be for Buyer's account.

7. DELIVERY INSTRUCTIONS - See Price Bulletins.

8. TRUCK SHIPMENTS
Truck shipments shall be made to dealer's yard or warehouse, or the manufacturing warehouse of approved manufacturers of prefabricated buildings and mobile homes.

9. MIXED AND STOPOVER TRUCKS
Truckload prices applicable to the total weight of the shipment, to point of delivery of each part of truck, shall apply.

10. FREIGHT CHARGES
Freight charges will be prepaid by Celotex or allowed to the customer upon his submitting original paid freight bill to Celotex with invoice payment.

11. TERMS OF PAYMENT
The following terms of payment shall apply on all sales of Gypsum and Lime products:
a. GYPSUM PRODUCTS (EXCLUSIVE OF LIME OR OTHER PRODUCTS) SHIPPED FROM GYPSUM PLANTS
2% cash discount for payment by 20th of following month, net 10th of the second following month.
b. LIME PAYMENTS RECEIVED FROM LIME MANUFACTURING PLANT
25¢ per ton discount
Our billing period will extend from the 21st of each month to the 20th of the following month. All invoices will be dated as of date of shipment or show date of shipment. Cash discount shall not be deducted in quoting prices.

12. PRICE DECREASE
Upon publication of a price decrease, all unshipped orders will be billed at the new and lower prices. Inventory adjustments will not be allowed.

13. PRICE INCREASE
In the event of a price increase all unshipped orders accepted by The Celotex Corporation prior to the effective date of the price increase will be invoiced at the increased prices in effect at the time of shipment, unless cancelled by purchaser by notice received by The Celotex Corporation before shipment.

14. PROTECTION ON SPECIFIC JOBS
No price protection will be granted on specific jobs, except that shipments for construction on Federal Government owned property financed with Federal funds will be made at the price that was in effect on the date contract was awarded to the general contractor, regardless of date of shipment.

15. TITLE
Title passes to the purchaser upon delivery of the goods by Celotex to the carrier at the shipping point.

16. LIABILITY
Celotex warrants only that the Celotex products sold hereunder will be free from defects in material and workmanship for one year. Celotex' liability shall be limited to the furnishing of replacement products found to be defective in materials and workmanship. Celotex shall not be liable for anticipated profits or for special, indirect or consequential damages.

17. CLAIMS
A. In case of claims against Celotex for defect in material, written notice and sample illustrating such defect must be submitted to Celotex to give full basis for such claim. Celotex shall have 60 days from date of receipt of such notice to inspect and dispose of defective material if such claim is allowed. Under no circumstances is the material to be returned to Celotex unless the Buyer has received Celotex' written instructions to do so. The buyer shall have no right to deduct the amount of any claim from Celotex' invoices until the claim is allowed by Celotex or adjudicated by proper authority.
B. All claims for loss or damage in transit must be filed with the carrier by the Buyer. Materials are loaded in accordance with the carrier's loading instructions to insure delivery without damage. However, Celotex will give all reasonable assistance to the Buyer in collecting loss or damage claims from carriers by furnishing duplicate invoices, affidavits showing count when loaded, method of loading, etc. Buyers should in all cases immediately report loss and/or damage to carrier and request inspection in case of damage. On loss claims Buyers should secure car or truck seal numbers and signed exception reports from the carrier.

18. TAX
An amount equal to any tax or other governmental charge upon the production, sale, acquisition of selling, shipment or use of material which is now or may be hereafter imposed by Federal, State, Municipal or any other governmental authorities upon either the Buyer or Celotex which Celotex is obliged to pay or collect shall be added to the price and shall be paid by the Buyer.

DEALER PRICE BULLETIN

CELOTEX
GYPSUM PRODUCTS

EX (CEL) 68

P 508

AREA: 1361 — EFFECTIVE: JUNE 14, 1971

ILLINOIS - ENTIRE STATE except Counties of Bond, Calhoun, Clinton, Effingham, Fayette, Franklin, Jackson, Jefferson, Jersey, Madison, Marion, Monroe, Perry, Randolph, St. Clair, Washington and Williamson.

INDIANA - ENTIRE STATE except Counties of DeKalb, Kosciusko, Lagrange, Noble, Steuben and Whitley.

IOWA - ENTIRE STATE except County of Pottawattamie.

KENTUCKY - ENTIRE STATE except Counties of Ballard, Bell, Calloway, Carlisle, Fulton, Graves, Marion, Richmond, Letcher, McCracken and Marshall.

MISSOURI - ENTIRE STATE except Counties of Cass, Dodge, Douglas, Lancaster, Knox, Saunders and Washington.

OHIO - Counties of Adams, Athens, Belmont, Brown, Butler, Champaign, Clark, Clermont, Clinton, Cuyahoga, Darke, Delaware, Fairfield, Fayette, Franklin, Gallia, Greene, Guernsey, Hamilton, Harrison, Highland, Hocking, Jackson, Jefferson, Knox, Lawrence, Licking, Madison, Meigs, Miami, Monroe, Montgomery, Morgan, Muskingum, Noble, Perry, Pickaway, Pike, Preble, Ross, Scioto, Shelby, Vinton, Warren and Washington.

WEST VIRGINIA - Counties of Cabell, Mason and Wayne.

WISCONSIN - ENTIRE STATE except Counties of Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Douglas, Dunn, Eau Claire, Florence, Forest, Iron, Langlade, Lincoln, Marinette, Menominee, Oneida, Pepin, Pierce, Polk, Price, Rusk, St. Croix, Sawyer, Trempealeau, Vilas and Washburn.

Effective with shipments on and after June 14, 1971 our prices on the following Gypsum products to the area outlined above will be:

	PRICE PER M SQ. FT.
CATEGORY 1	
1/4" Wallboard	$ 36.00
3/8" Wallboard	40.00
1/2" Wallboard	43.00
5/8" Wallboard	52.00
1/2" Fi-Ply Wallboard	57.00
5/8" Fi-Ply Wallboard	57.00
1" Coreboard	114.00
1/4" Sound Deadening Board	40.50

Backer Board and) - Reduce $1.50/MSF from price
Jumbo Wallboard) same thickness wallboard.

CATEGORY 2
Foil-Backed Products - Add $20.00/MSF to price same product without foil.

CATEGORY 3

3/8" Vinyl Wallboard	100.00
1/2" Vinyl Wallboard	100.00
5/8" Vinyl Wallboard	211.00
1/2" Fi-Ply Vinyl Wallboard	212.00
5/8" Fi-Ply Vinyl Wallboard	230.00

CATEGORY 4

1/2" Bath/Backer Board	77.00
5/8" Bath/Backer Board	80.00
5/8" Fi-Ply Bath/Backer Board	97.00

CATEGORY 5

3/8" Lath	30.00
1/2" Lath	40.00

Long Length Lath - Reduce $1.00/MSF from price same thickness wallboard.

CATEGORY 6

1/2" Sheathing (Treated)	55.00
1/2" Sheathing (Non-treated)	50.00

Flat delivered truck or cars (10,000# minimum per weight) add to above prices as follows:

All products except 1" Coreboard $1.00/MSF
1" Coreboard 2.00/MSF

The above prices are subject only to net cash discount. It is our policy that prices on jobs will not be guaranteed.

CONTACT YOUR CELOTEX REPRESENTATIVE FOR PRODUCTS AVAILABLE AT EACH PLANT

THE CELOTEX CORPORATION
Subsidiary of The Jim Walter Corporation

TERMS AND CONDITIONS OF SALE

P 508

1. SALES POLICY
Products will be sold to those areas and to those customers as we shall specify from time to time in Area Price Bulletins. Notice of change in policy will be given as we deem practicable.

2. ACCEPTANCE OF ORDERS
All sales are deemed to have been accepted by the Corporation at its General Offices, Tampa, Florida, when they are either acknowledged or shipped.

3. FLAT CAR SHIPMENTS
The minimum flat car shipment shall be 30,000 lbs. of board products. Plaster products cannot be shipped in flat cars.

4. 80,000 LB. - "B CAR SHIPMENTS CONTAINING PLASTER
If Plaster products are included in an 80,000 lb. box car containing board products, the 80,000 lb. minimum freight rate does not apply, but the dealer prices of all products in shipment shall be the published prices for 80,000 lb. box cars.

5. POOL AND STOPOVER CARLOADS
Carload prices applicable to the total weight of the shipment, to point of delivery of each part of car, shall apply. Pool carload shipments (delivered to one rail destination) may be made to box cars, or to flat cars provided no bag goods are included.
Stopover carload shipments shall be made to box cars only. In arranging stopover shipments the distance between the first stopover point and final destination shall be restricted to 200 miles or less.

6. TERMS, CONDITIONS
A. DEMURRAGE CHARGES, SWITCHING CHARGES AND OTHER SPECIAL CHARGES
Any charge for switching or other special transportation or delivery services incurred because of Buyer's request must be absorbed by Buyer. Such charges when incurred by Celotex for its convenience will be absorbed by Celotex. When cars are stopped enroute for partial unloading the Buyer must comply with all published regulations applicable to such stopover. Penalties or charges assessed for failure to so comply shall be for Buyer's account.
B. MINIMUM QUANTITIES - See Price Bulletins.

7. TRUCK SHIPMENTS
Truck shipments shall be made to dealer's yard or warehouse, or the manufacturing warehouse of approved manufacturers of prefabricated buildings and mobile homes.

8. POOL AND STOPOVER TRUCKS
Truckload prices applicable to the total weight of the shipment, to point of delivery of each part of truck, shall apply.

9. FREIGHT CHARGES
Freight charges will be prepaid by Celotex or allowed to the customer upon his submitting original paid freight bill to Celotex with invoice payment.

10. TERMS OF PAYMENT
The following terms of payment shall apply on all sales of Gypsum and Lime products:
A. GYPSUM PRODUCTS (EXCLUDING LIME OR OTHER PRODUCTS) SHIPPED FROM GYPSUM PLANTS
1% cash discount for payment by 20th of following month, net 10th of the second following month.
B. LIME PRODUCTS SHIPPED FROM LIME MANUFACTURING PLANT
2¢ per ton discount
Our billing period will extend from the 21st of each month to the 20th of the following month. All invoices will be dated as of date of shipment or show date of shipment. Cash discount shall not be deducted in quoting prices.

11. PRICE ADJUSTMENTS
Upon publication of a price decrease, all unshipped orders will be billed at the new and lower prices. Inventory adjustments will not be allowed.

12. PRICE INCREASES
In the event of a price increase all unshipped orders accepted by The Celotex Corporation prior to the effective date of the price increase will be invoiced at the increased prices in effect at the time of shipment, unless cancelled by purchaser by notice received by The Celotex Corporation before shipment.

13. PROTECTION OF APPARENT JOBS
No price protection will be granted on specific jobs, except that shipments for construction on Federal Government owned property financed with Federal funds will be made at the price that was in effect on the date contract was awarded to the general contractor, regardless of date of shipment.

14. TITLE
Title passes to the purchaser upon delivery of the goods by Celotex to the carrier at the shipping point.

15. LIABILITY
Celotex warrants only that the Celotex products sold hereunder will be free from defects in material and workmanship for one year. Celotex' liability shall be limited to the furnishing of replacement products found to be defective in materials and workmanship. Celotex shall not be liable for anticipated profits or for special, indirect or consequential damages.

16. CLAIMS
A. In case of claims against Celotex for defect in material, written notice and sample illustrating such defect must be submitted to Celotex to give full basis for such claim. Celotex shall have 60 days from date of receipt of such notice to inspect and dispose of defective material if such claim is allowed. Under no circumstances is the material to be returned to Celotex unless the buyer has received Celotex' written instruction to do so. The buyer shall have no right to deduct the amount of any claim from Celotex' invoice until the claim is allowed by Celotex or adjudicated by proper authority.
B. All claims for loss or damage in transit must be filed with the carrier by the Buyer. Materials are loaded in accordance with the carrier's loading instructions to insure delivery without damage. However, Celotex will give all reasonable assistance to the Buyer in collecting loss or damage claims from carriers by furnishing duplicate invoices, bills-of-lading showing count when loaded, method of loading, etc. Buyers should immediately report loss and/or damage to carrier and request inspection in case of damage. On loss or damage claims Buyers should secure car or truck seal numbers and original exception papers from the carrier.

17. TAX
An amount equal to any tax or other governmental charge upon the production, sale, consumption of articles, shipment or use of material which is now or may be hereafter imposed by Federal, State, Municipal or any other governmental subdivision upon either the Buyer or Celotex which Celotex is obliged to pay or collect shall be added to the price and shall be paid by the Buyer.

3/71

TF 6/71-A

DEALER PRICE BULLETIN

CELOTEX GYPSUM PRODUCTS

DX (CEL) 69

P 509

AREA: 1295

EFFECTIVE: JUNE 14, 1971

KENTUCKY - Counties of Ballard, Calloway, Carlisle, Fulton, Graves, Hickman, McCracken and Marshall

Effective with shipments on and after June 14, 1971 our prices on the following Gypsum products in the area outlined above will be:

	PRICE PER M SQ. FT. C/L 60M# & T/L 40M#
CATEGORY 1	
1/4" Wallboard	$ 38.00
3/8" Wallboard	40.00
1/2" Wallboard	43.00
5/8" Wallboard	50.00
1/2" Fi-Rok Wallboard	50.00
5/8" Fi-Rok Wallboard	56.00
1" Coreboard	103.00
1/4" Sound Deadening Board	40.50
Backer Board and) - Deduct $1.00/MSF from price	
Jumbo Baseboard) same thickness wallboard.	
CATEGORY 2	
Foil-Backed Products - Add $20.00/MSF to price same product without foil.	
CATEGORY 3	
3/8" Vinyl Wallboard	180.00
1/2" Vinyl Wallboard	190.00
5/8" Vinyl Wallboard	203.00
1/2" Fi-Rok Vinyl Wallboard	209.00
5/8" Fi-Rok Vinyl Wallboard	215.00
CATEGORY 4	
1/2" Bath/Backer Board	76.00
5/8" Bath/Backer Board	82.00
5/8" Fi-Rok Bath/Backer Board	87.00
CATEGORY 5	
3/8" Lath	37.00
1/2" Lath	40.00
Long Length Lath - Deduct $1.00/MSF from price same thickness wallboard.	
CATEGORY 6	
1/2" Sheathing (treated)	47.00
1/2" Sheathing (non-treated)	46.00

For stopover trucks or cars (30,000# minimum per stop) add to above prices as follows:

All products except 1" Coreboard $1.00/MSF
1" Coreboard 2.00/MSF

The above prices are subject only to our usual cash discount. It is our policy that prices on jobs will not be protected.

CONSULT YOUR CELOTEX REPRESENTATIVE FOR PRODUCTS AVAILABLE AT EACH PLANT

THE CELOTEX CORPORATION
Subsidiary of Jim Walter Corporation

P 509

TERMS AND CONDITIONS OF SALE

1. PRICES
Products will be sold at these prices and on these conditions as we shall specify from time to time in Price Bulletins. Notice of change in policy will be given as we deem practicable.

2. ACCEPTANCE OF ORDERS
All sales are deemed to have been accepted by the Corporation at its General Offices, Tampa, Florida, when they are either acknowledged or shipped.

3. MINIMUM CAR SHIPMENTS
The minimum flat car shipment shall be 10,000 lbs. of board products. Plaster products cannot be shipped in flat cars.

4. DELIVERY TO, AND USE RESTRICTED OPERATIONAL PLACES
If Plaster products are included in an LCL car, or car containing board products, the $0,000 lb. minimum freight rate does not apply, but the dealer prices of all products in shipment shall be the published prices for 30,000 lb. car lots.

5. TRUCK AND STOPOVER CHARGES
Carload prices applicable to the total weight of the shipment, to point of delivery of each part of car, shall apply. Dual carload shipments delivered to one full destination may be made in two cars, or in flat cars provided no bag goods are included.
Stopover carload shipments shall be made in two cars only. In arranging stopover shipment the distance between other first stopover must not final destination shall be restricted to 200 miles or less.
6. STOPOVER CHARGES - NOTWITHSTANDING CHARGES AND OTHER SPECIAL CHARGES
Any charge for switching or other special transportation or delivery services incurred because of Buyer's request must be absorbed by Buyer. Such charges when incurred by Celotex for the convenience will be absorbed by Celotex. When cars are stopped enroute for partial unloading the Buyer must comply with all published regulations applicable to such stopover. Demurrage or charges assessed for failure to un empty shall be for Buyer's account.

8. CUSTOMER'S QUOTATIONS - See Price Bulletin.

9. TERMS OF PAYMENT
Cash shipments shall be made to dealer's yard or warehouse, or the manufacturing warehouse of approved manufacturers of prefabricated buildings and mobile homes.

10. CARLOAD SHIPMENTS
Truckload prices applicable to the total weight of the shipments, to point of delivery of each part of truck, shall apply.

11. FREIGHT CHARGES
Weights charges will be prepaid by Celotex or allowed to the customer upon his submitting original paid freight bill to Celotex with invoice payment.

12. TERMS OF PAYMENT
The following terms of payment shall apply on all sales of Gypsum and Lime products:
a. SHIPMENTS FROM PLANTS OTHER THAN LIME OR PLANT PRODUCTS DELIVERED DIRECT FROM GYPSUM PLANTS
1% cash discount for payment by 10th of following month, net 10th of the second following month.
b. LIME PRODUCTS DELIVERED FROM LIME MANUFACTURING PLANT
1% per ton discount
Our billing period will extend from the 16th of each month to the 15th of the following month. All invoices will be dated as of date of shipment or show date of shipment. Cash discount shall not be deducted in quoting prices.

13. PRICE PROTECTION
Upon publication of a price decrease, all unshipped orders will be billed at the new and lower prices. Necessary adjustments will one be allowed.

14. PRICE INCREASES
In the event of a price increase all unshipped orders accepted by the Celotex Corporation prior to the effective date of the price increase will be invoiced at the increased prices in effect at the time of shipment, unless cancelled by purchaser by notice received by the Celotex Corporation before shipment.

15. PROTECTION ON SPECIFIC JOBS
No price protection will be granted on specific jobs, except that shipments for construction on Federal Government owned property financed with Federal funds will be made at the price that was in effect on the date contract was awarded to the general contractor, regardless of date of shipment.

16. TITLE
Title passes to the purchaser upon delivery of the goods by Celotex to the carrier at the shipping point.

17. WARRANTY
Celotex warrants only that the Celotex products sold hereunder will be free from defects in material and workmanship for one year. Celotex' liability shall be limited to the furnishing of replacement products found to be defective in materials and workmanship. Celotex shall not be liable for anticipated profits or for special, indirect or consequential damages.

18. CLAIMS
a. In case of claims against Celotex for defects in material, written notice and sample illustrating such defect must be submitted to Celotex to give full basis for such claim. Celotex shall have 60 days from date of receipt of such notice in respect and disposal of defective material if such claim is allowed. Dealer or distributor is to the material to be returned to Celotex unless the Buyer has received Celotex' written instruction time to do so. The buyer shall have no right to deduct the amount of any claim from Celotex' invoice until the claim is allowed by Celotex or adjudicated by proper authority.
b. All claims for loss or damage in transit must be filed with the carrier by the Buyer. Materials are loaded in accordance with the carrier's loading instructions to insure delivery without loss or damage. However, Celotex will give all reasonable assistance to the Buyer in collecting loss or damage claims from carriers by furnishing duplicate invoices, affidavits showing count when loaded, method of loading, etc. Buyers should in all cases immediately report loss and/or damage to carrier and request inspection in case of damage. No loss claims should be accepted by or issued by Celotex unless Celotex is obliged to pay or collect shall be added to the price and shall be paid by the Buyer.

19. [illegible]
In the event relief is not had by either governmental decree upon the production, sale, acceptance of selling, shipment or use of materials which in any or all by Executive Ordered by Federal, State, Municipal or any other governmental authorities upon either the Buyer or Celotex which Celotex is obliged to pay or collect shall be added to the price and shall be paid by the Buyer.

In effect [illegible]

DEALER PRICE BULLETIN

CELOTEX GYPSUM PRODUCTS

RECEIVED JUN 70 1970

P 510

Date: 1970

REVISED - Counties of Allegan, Barry, Bay, Berrien, Branch, Calhoun, Cass, Clinton, Eaton, Gratiot, Hillsdale, Huron, Ingham, Ionia, Isabella, Jackson, Kalamazoo, Kent, Lenawee, Livingston, Macomb, Midland, Monroe, Montcalm, Muskegon, Newaygo, Oceana, Saginaw, St. Joseph, Sanilac, Shiawassee, Tuscola and Van Buren.

Effective with shipments on and after June 15, 1970 our prices on the following Celotex products in the area outlined above will be:

	PRICE PER M SQ. FT. OR SQ. YD.
CATEGORY 1	
1/4" Wallboard	$ 38.00
3/8" Wallboard	40.00
1/2" Wallboard	43.00
5/8" Wallboard	52.00
1/2" Fi-Kore Wallboard	92.00
5/8" Fi-Kore Wallboard	97.00
1" Soundwall	126.00
1/4" Sound Deadening Board	40.50
Backer Board and) - Deduct $1.20/MSF from price	
Acoustic Tile) under thickness wallboard.	
CATEGORY 2	
Poly-Backed Products - Add $20.00/MSF to price same product without foil.	
CATEGORY 3	
3/8" Vinyl Wallboard	100.00
1/2" Vinyl Wallboard	190.00
5/8" Vinyl Wallboard	207.00
1/2" Fi-Kore Vinyl Wallboard	222.00
5/8" Fi-Kore Vinyl Wallboard	239.00
CATEGORY 4	
1/2" Bath Backer Board	71.00
5/8" Bath Backer Board	83.00
5/8" Fi-Kore Bath Backer Board	92.00
CATEGORY 5	
3/8" Lath	37.00
1/2" Lath	41.00
Long Length Lath - Deduct $1.20/MSF from price same thickness wallboard.	
CATEGORY 6	
1/2" Sheathing (Re-Cover)	15.00
1/2" Sheathing (Non-Insulated)	10.00

For (2) ton minimum shipment routed on 10 tons per stop via rail, add to the above prices as follows:

All products except 1" Soundwall	$1.20/MSF
1" Soundwall	1.20/MSF

The above prices are subject only to our usual cash discount. It is our policy that prices on jobs will not be protected.

CONSULT YOUR CELOTEX REPRESENTATIVE FOR PRODUCTS AVAILABLE AT EACH PLANT

THE CELOTEX CORPORATION
Subsidiary of Jim Walter Corporation

P 510

TERMS AND CONDITIONS OF SALE

1. PRICES
Products will be sold at prices and to those customers as we shall specify from time to time in Price Bulletins. Notice of change in prices will be given as we deem practicable.

2. INSPECTION OF GOODS
All sales are deemed to have been executed by the Corporation at its General Offices, Tampa, Florida, when they are either acknowledged or shipped.

3. F.O.B. DESTINATION
The minimum flat car shipment shall be 70,000 lbs. of board products. Plaster products ordered to shipped in flat cars.

4. [illegible] OR LESS FOR SHIPMENTS CONSIGNED TO [illegible]
If Plaster products are included in an MC-size lb. box car containing board products, the $2,000 lb. minimum freight rate does not apply, but the dealer purchase of all products in shipment shall be the published prices for $2,000 lb. box cars.

5. MIXED CAR SHIPMENTS CONSIGNED
Published prices applicable to the total weight of the shipment, in point of delivery of each part of car, shall apply. Combined prices applicable to mixed carload shipments will be made in box cars, as in flat cars provided no bag freight rates are involved.
Shipment partial shipments shall be made in box cars only. In arranging shipments distances between the first consumer point and final destination shall be restricted to 200 miles or less.

6. [illegible] - See Price Bulletin.

7. TRUCK SHIPMENTS
Truck shipments shall be made to dealer's yard or warehouse, or the manufacturing warehouse of approved manufacturers of prefabricated buildings and mobile homes.

8. PRICE AND ALLOWANCE TRUCKS
Truckload prices applicable to the total weight of the shipment, in point of delivery of each part of truck, shall apply.

9. FREIGHT CHARGES
Freight charges will be prepaid to Celotex or allowed to the customer upon his submitting original paid freight bill to Celotex with invoice payment.

10. TERMS OF PAYMENT
The following terms of payment shall apply on all sales of Celotex and Lone products:
a. [illegible]
2% cash discount for payment by 25th of following month, less 10th of the current following month.
b. [illegible]
1% per cent discount.
The billing period will extend from the 21st of each month to the 20th of the following month. All invoices will be dated as of date of shipment or date date of shipment. Cash discounts shall not be deducted on opening prices.

11. PRICE PROTECTION
Upon publication of a price decrease, all unshipped orders will be billed at the new and lower prices. Inventory allowances will not be allowed.

12. PRICE INCREASES
In the event of a price increase all unshipped orders accepted by The Celotex Corporation prior to the effective date of the price increase will be invoiced at the increased prices in effect at the time of shipment, unless cancelled by purchaser by notice received by The Celotex Corporation before shipment.

13. SHIPMENTS ON SPECIFIC JOBS
No price protection will be granted on specific jobs, except that shipments for construction on General Government owned property financed with Federal funds will be made at the price that was in effect on the date contract was entered in the general contractor, regardless of date of shipment.

14. TITLE
Title passes to the purchaser upon delivery of the goods by Celotex to the carrier at the shipping point.

15. GUARANTEE
Celotex warrants only that the Celotex products sold hereunder will be free from defects in material and workmanship for one year. Celotex' liability shall be limited to the furnishing of replacement products found to be defective in materials and workmanship. Celotex shall not be liable for consequential profits or for special, indirect or consequential damages.

16. CLAIMS
a. In case of claims against Celotex for defect in material, written notice and sample illustrating such defect shall be submitted to Celotex to give full basis for such claim. Celotex shall have 60 days from date of receipt of such notice to inspect and dispose of defective material if such claim is allowed. Under no circumstances is the material to be returned to Celotex unless the Buyer has received Celotex' written instruction to do so. The Buyer shall have no right to deduct the amount of any claim from Celotex' invoice until then to do so. The Buyer shall have no right to deduct the amount of any claim from Celotex' invoice until then to do so.
The claim is allowed by Celotex an allowance to proper authority.
b. All claims for loss or damage in transit must be filed with the carrier by the Buyer. Celotex will cooperate to the carrier's lawful satisfaction to secure delivery without damage. However, Celotex will give all reasonable assistance to the buyer in collecting loss or damage claims from carriers by furnishing typical invoices, affidavits showing exact wire tracer, weights at loading, etc. Buyers should on all cases immediately report loss and/or damage to carrier and request inspection in case of damage. On Celotex Owners Owners should assure can be check that damage and signed exception record from the carrier.

17. TAX
No taxes equal to any tax or other governmental charge upon the production, sale, possession of selling, delivery or use of material which is now or may be hereafter required by Federal, State, Municipal or any other governmental authorities upon either the Buyer or Celotex which Celotex is obliged to pay or collect shall be added to the price and shall be paid by the Buyer.

D (CX) 448

[illegible] FOR PRICE RESTRICTION 1 9448

TO HAROLD HOOLEY TAMPA FROM SV ADVISORY ADOC GV DIST [illegible] 8-30

1. CANCELS AND SUPERCEDES W 1287
2. GRAZER LUMBER CO SOUTH HAVEN NEW HAVEN CITY CODE DLR
3. SHOP AND YARD AT GUILFORD CONN AND WILTON CONN
4. TRUCKLOADS
5. TOTAL REQUIREMENTS
6. ESCALATION
7. GYPSUM PRODUCTS CAT 1-4-7 9-3-9 PERCNT OFF OPPLEATOR
8. [redacted] 9-3-9 PERCT
9. COMPETITOR SALESMAN QUOTED THIS PRICING TO JACK GRAZER OF THE ABOVE ACCT THIS INFORMATION WAS GIVEN TO OUR SALES REP BOB HAMMING VERBALLY
10. TAMPA CREDIT GROUP TO ISSUE CREDIT MONTHLY
11. 100,000
2,000
20,000 [illegible]
12. SEE 8-8-60 MIDDL FLORIDA DETAIL
13. NO PRICE CHANGES AT THIS TIME

[illegible] 2/10 OK

[illegible] 1-2-20

21 Sept

12/23 Mr. Scivee asks Mr. Adams to say that ltr was sent to U.S. Gypsum Co. CW to follow up.

[redacted] 1500 N. Dale Mabry Hwy.
[redacted] 33607
December 19, 1966

[redacted]

D (CX) 1108

United States Gypsum Company
101 South Wacker
Chicago, Illinois

Gentlemen:

Please be advised that The Celotex Corporation hereby terminates the Agreement between us of June 1, 1960, as amended May 11, 1962 and November 29, 1963, such termination to become effective on April 1, 1967.

Very truly yours,

Marvin Greenwood
Senior Vice President
Marketing

MG:kl

OWENS-CORNING FIBERGLAS CORPORATION

TOLEDO, OHIO

Appointment of National Distributor
Fiberglas Residential Building Insulation Products

FI (TH) 1109

AGREEMENT made at Toledo, Ohio this [illegible] day of [illegible] 19[illegible], between OWENS-CORNING FIBERGLAS CORPORATION, of Toledo, Ohio, herein called "Fiberglas", and Celotex Corporation of Tampa, Florida herein called "Distributor".

1. APPOINTMENT. Fiberglas hereby appoints Distributor as a National Distributor of the Fiberglas Residential Building Insulation Products included under Article 2 hereof and Distributor accepts such appointment.

2. PRODUCTS COVERED. Products covered by this agreement are those set forth in Exhibit A attached hereto and made a part hereof, along with amendments and reissues thereof mutually agreed upon from time to time.

The furnishing from time to time of products not specifically listed in Exhibit A hereto and not covered by this Agreement shall not add such products to this Agreement.

3. COOPERATION OF FIBERGLAS. Fiberglas agrees to cooperate with Distributor within the scope of this agreement to assist in promoting the sale of the products covered herein to the building trade. Fiberglas intends to advertise its Fiberglas Building Insulation Products to consumers on a national scale and carry on national sales promotional efforts to aid in the selling of the products and complement the trade advertising and promotional efforts of Distributor. Fiberglas may develop certain product literature, catalogues and display material and, when developed, will offer these items on a cost basis to Distributor. Fiberglas will make available to Distributor reasonable assistance in connection with advertising and promotional programs. It is understood that all such advertising done by either party and its extent will lie wholly within its own discretion. Fiberglas will upon request and within reasonable and practicable limits, assist in product training of salesmen for Distributor. Fiberglas agrees to furnish without cost, a reasonable number of samples of the products cut to size, and agrees to pack such samples in sample containers furnished by Distributor, and agrees to ship them at Distributor's expense to Distributor's various sample rooms and district offices as requested by Distributor. Distributor will design and furnish its own sample containers and will pay all shipping and mailing charges and will handle the distribution of such samples from their sample rooms and district offices.

4. DUTIES OF DISTRIBUTOR. Distributor agrees to train its sales organization so that its personnel will be fully qualified to ably solicit and promote the sales of the products covered hereby. Distributor agrees to promote aggressively the sales of such products and to conduct trade advertising as referred to in Article 3 hereof. In all such advertising Distributor will use its trade-mark and the trade-mark FIBERGLAS in the manner set forth in Article 9 hereof. Distributor agrees to give particular prominence and eye appeal to the trade-mark FIBERGLAS on every piece of literature, label and carton relating to the products covered hereby.

The methods of packaging and labeling on the products or containers, whether by printing or pasting labels, or other suitable means, will be worked out cooperatively by Fiberglas and Distributor. However, Fiberglas shall have the responsibility of making final determination of which methods to use in the light of over-all manufacturing and warehousing considerations. Distributor will submit cuts of the labels or copy of the material to be printed on the products or containers and Fiberglas will arrange and pay for the printing that is done.

Distributor will sell the products covered hereby for application in accordance with Fiberglas' published specifications for the uses, applications and limitations of its products. In the event Distributor contemplates selling products for uses not covered by Fiberglas' published specifications, Distributor agrees to consult with Fiberglas as to the fitness of the products for such uses.

Distributor will submit forecasts of each year's anticipated orders for Fiberglas Products prior to the commencement of each year during the life of this agreement and will revise such estimates for the year quarterly or more often as required by circumstances, and will give a final revised estimate for each month twenty (20) days prior to the commencement of such month.

5. CUSTOMER SELECTION. It is understood that this Agreement is non-exclusive and non-restrictive. Each party recognizes the right of the other to select its own customers and determine its own prices, terms and conditions of sale.

6. ORDERS, PRICES, TERMS AND CONDITIONS. Distributor will submit purchase orders within the scope of this Agreement reasonably in advance of requested delivery dates. Emergency shipments when requested may be shipped prior to entry of written order but will nonetheless be governed by the terms of this Agreement. In addition to the provisions of this Agreement, all sales made hereunder shall be subject to Fiberglas Standard Terms and Conditions of Sale set out in Exhibit B hereto, which is hereby made a part hereof along with amendments and reissues thereof which may be made from time to time.

All sales made hereunder shall be at the standard prices of Fiberglas to Distributor's class of trade as in effect and communicated to Distributor from time to time.

7. WARRANTIES. Fiberglas warrants its goods only as set out in Section 13 of Exhibit B hereto and its liability shall be only as stated therein. There are no other guarantees or warranties of any kind, express or implied, nor shall Distributor make any warranties or representations on behalf of Fiberglas. It is understood, however, that Distributor shall have the right to adjust complaints of Distributor's customers due to faulty products and packaging in amounts not exceeding Twenty-Five Dollars ($25.00) in each such case without first consulting Fiberglas. A list of such adjustments made shall be submitted monthly by Distributor to Fiberglas with a brief description of the complaint. Fiberglas will reimburse Distributor for such allowances made by Distributor due to faulty products or packaging, but not for any allowances Distributor may make resulting from faulty application of the products. In the event an amount larger than Twenty-Five Dollars ($25.00) is involved in any complaint, Distributor shall promptly notify Fiberglas of the existence and the nature of the complaint, and Fiberglas shall have the right to inspect the products within 30 days in order to determine its own responsibility before any adjustment or replacement is made by Distributor with or for its customer; and if it should be determined that the complaint is justified, Fiberglas may elect either to replace the products or to reimburse Distributor for such allowance on the purchase price of the goods as may be agreed upon.

8. PATENT INFRINGEMENT. Fiberglas agrees to indemnify and to hold harmless Distributor as well as Distributor's customers and users of the products covered herein, when used in accordance with Fiberglas' published literature against any claims or demands of infringement of any United States Letters Patent. Fiberglas upon written notice, timely given by Distributor, will defend at its own expense any suit in law or in equity brought against Distributor or any of its customers or users of the products delivered hereunder, when used in accordance with Fiberglas' published literature, for infringement of any United States Letters Patent by reason of the purchase or sales of the products or such use thereof, and will promptly pay and discharge any judgment or money decree which may be rendered in any such suit against Distributor, its customers or users of the products for or on account of any such infringement.

9. FIBERGLAS TRADEMARK. Fiberglas sells the products covered by this Agreement under and by the registered trade mark and trade name "FIBERGLAS". Distributor is given permission to use the trade-mark "FIBERGLAS" in its advertising or literature relating to the products or samples of products provided that in every use of the word "FIBERGLAS" the letter "F" at least shall be capitalized and in every label, piece of literature, and all advertising copy, the first and most prominent occurrence of the word "FIBERGLAS" shall be accompanied by the notice "T. M. Reg. U. S. Pat. Off." either directly below, directly following or tied in by an asterisk with a notice appearing on the same page, and provided suitable notice shall be made on the label, piece of literature, or advertising copy that the product

referred to is "Manufactured by Owens-Corning Fiberglas Corporation". Distributor acknowledges the exclusive right of Fiberglas to use the word "FIBERGLAS" as a trade-mark, and agrees that the form and manner of use of such trade-mark in advertising matter or other literature or on the products shall at all times be subject to the approval of Fiberglas and to rules or regulations announced by it from time to time. Distributor shall not in any case use the word "FIBERGLAS" as a generic term or as the name or description of a product or commodity generally; shall separate said trade-mark from the trade name or mark of Distributor sufficiently so that it will not appear that Distributor is the manufacturer of the product; and shall not use any colorable imitation of Fiberglas trade-mark or any similar words, names or marks which in Fiberglas' opinion might result in confusion.

10. DELAYS IN DELIVERY. If by reason of differences with workmen, fires, accidents, floods, acts of God, war, shortages of supplies or materials, failures in production equipment, or other causes beyond the reasonable control of Fiberglas, it shall be delayed in making any deliveries on accepted orders or business within the scope of this Agreement, such delays shall be excused during the continuance of such cause or causes. Though it is the intent of Fiberglas to use its best efforts in every reasonable and practical way to arrange its stocks, provide production capacity, and operate production equipment in order to deliver orders within the scope of this Agreement with reasonable promptness, Fiberglas' judgment as to the amount of its stocks to be carried, the amount of capacity to be provided, and the machines to be placed in operation shall be final.

11. LIFE OF AGREEMENT. This Agreement shall remain in full force and effect for 4 3/4 years commencing ~~January~~ April 1, 1967, and automatically from year to year thereafter, subject to termination, however, by either party at the end of any calendar year after date hereof, on at least three (3) months' notice in writing to the other party given prior to the end of any such year. This Agreement may also be cancelled at any time by either party in case the other shall at any time be guilty of a breach of any of the terms or conditions hereof and shall not have corrected such breach within sixty (60) days after receiving written notice of such breach from the party claiming such breach, and a waiver of a breach of any of the terms and conditions hereof by either party shall not constitute a waiver of any other or further breach of any of the terms or conditions hereof.

Following notice of termination or cancellation of this Agreement for any reason, Distributor, at Fiberglas' request and during the remaining life of the Agreement, will purchase from Fiberglas all quantities of products manufactured or labelled for Distributor and on hand at the time of such notice of termination or cancellation. The prices for such products shall be those prevailing at the time of such notice. Distributor also agrees to purchase in the same manner all quantities of paper, vapor barriers, cartons, labels, bags or other packaging materials and materials of Distributor's special specification, for the production of products which have been requested or scheduled by Distributor. The price of such materials shall be the cost to Fiberglas. However, the quantities of products and materials which Distributor will be obliged to purchase under this paragraph shall not exceed those reasonably required to be on hand or on order to service Distributor during the said remaining life of the Agreement in the light of forecasts that have been submitted by Distributor from time to time for such period. In the event Fiberglas calls upon Distributor to purchase and pay for any direct materials in accordance with this provision, Distributor shall have the right, in lieu of purchasing such direct materials, to submit firm orders for finished products in an amount adequate to utilize such direct materials during the remaining life of the Agreement or during a reasonable period thereafter.

Following termination or cancellation of this Agreement, Fiberglas agrees as a separate and separable agreement to sell, in accordance with the provisions hereof, to Distributor for a period not exceeding one year from date of termination or cancellation such of the products covered herein as will minimize any trade embarrassment which may arise as a result of such termination or cancellation, but Fiberglas shall not be obliged to sell any products beyond the immediate necessities of minimizing such trade embarrassment. Fiberglas shall be under no obligation to continue to sell to Distributor following termination or cancellation in the event Distributor disparages or damages the good will of Fiberglas or Fiberglas products, or fails to observe the provisions of Article 9 covering the use of the Fiberglas trade-mark.

12. ASSIGNMENT. This Agreement shall not be assigned, transferred or sold by Distributor without the written consent of Fiberglas.

13. NOTICES. All notices provided herein shall be served upon the respective parties in writing, and if any such notice is sent by registered mail, the return receipt by the Post Office shall be prima facie proof of such service. Until further notice, the addresses of the respective parties for the purpose of such notices are to be as follows:

Owens-Corning Fiberglas Corporation
P. O. Box 901
Toledo, Ohio

Celotex Corporation
Jim Walter Building
Tampa, Florida

14. This Agreement cancels any prior agreements, oral or written, within the scope of this Agreement, and there are no promises or agreements affecting this Agreement, either expressed or implied, which are not written herein. Any amendments or constructions of this Agreement will be binding only if in writing and signed by a duly authorized executive of each party.

ATTEST: [signature] Assistant Secretary (Title)

OWENS-CORNING FIBERGLAS CORPORATION
By C. E. Peck V.P. (Title)

ATTEST: [signature] (Title)

THE CELOTEX CORPORATION
DISTRIBUTOR
By [signature] Y.P. (Title)

THE CELOTEX CORPORATION

CELOTEX

GENERAL OFFICE
1500 NORTH DALE MABRY
TAMPA, FLORIDA 33607

DX (CEL) 1110

March 24, 1967

TO OUR CELOTEX CUSTOMERS:

Celotex is now a national distributor of Fiberglas residential insulation produced by Owens Corning Fiberglas Corporation.

We will be able to offer you a complete line of batts both kraft faced and foil, friction fit blankets, rolls, and pouring wool.

We have the finest shipping service to suit your needs along with a variety of sales and promotional aids.

We hope you will place your next order for these famous products with your local Celotex sales representative who will be in to see you very shortly; or please call collect to the nearest Celotex District Office.

THE CELOTEX CORPORATION

EFL:plf

DX(CEL)-1111

DX (CEL) 1111

THE CELOTEX CORPORATION

FORM 350 AND 360 APPROVALS OF

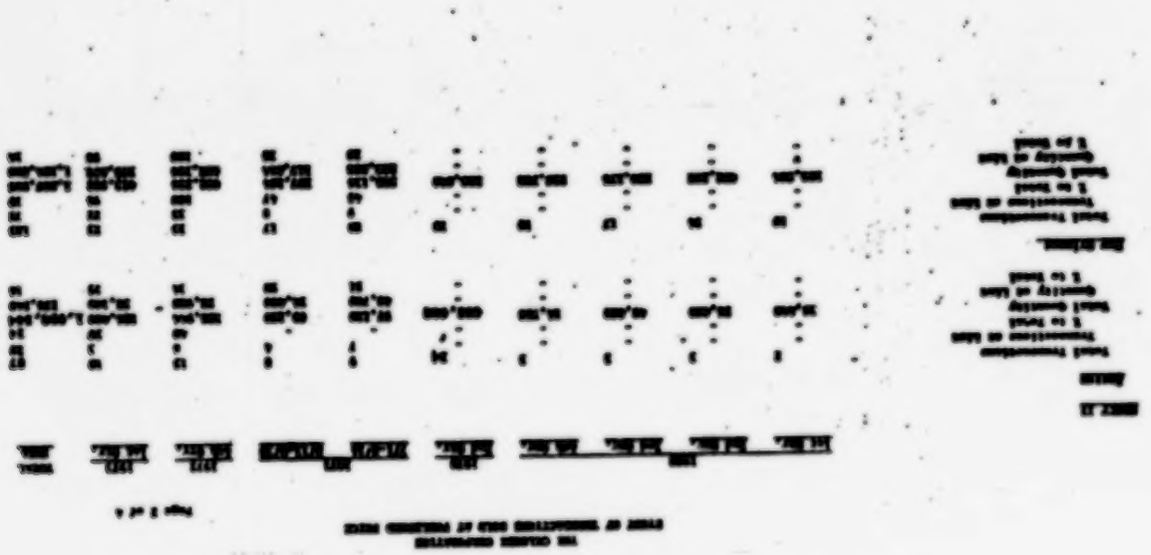
EXCEPTIONS TO CELOTEX' PUBLISHED PRICE

1/2" and 5/8" fire rated wallboard,

September 1, 1965 to December 15, 1965

Number approved: 506

DX(CEL)-1150



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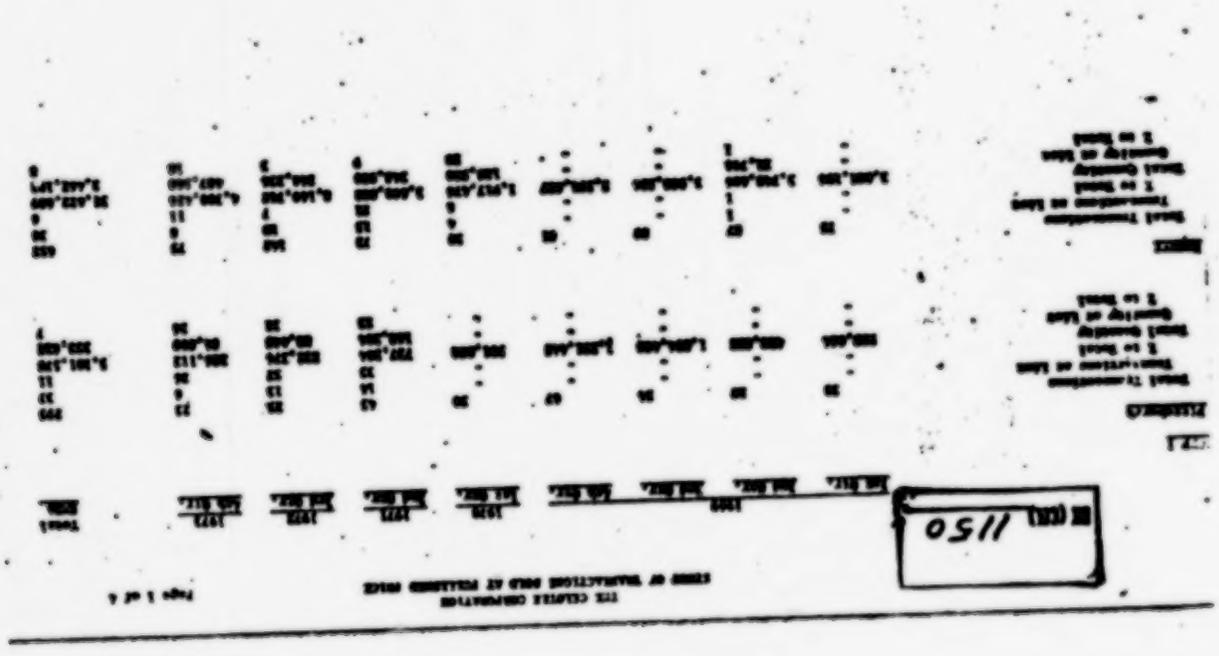

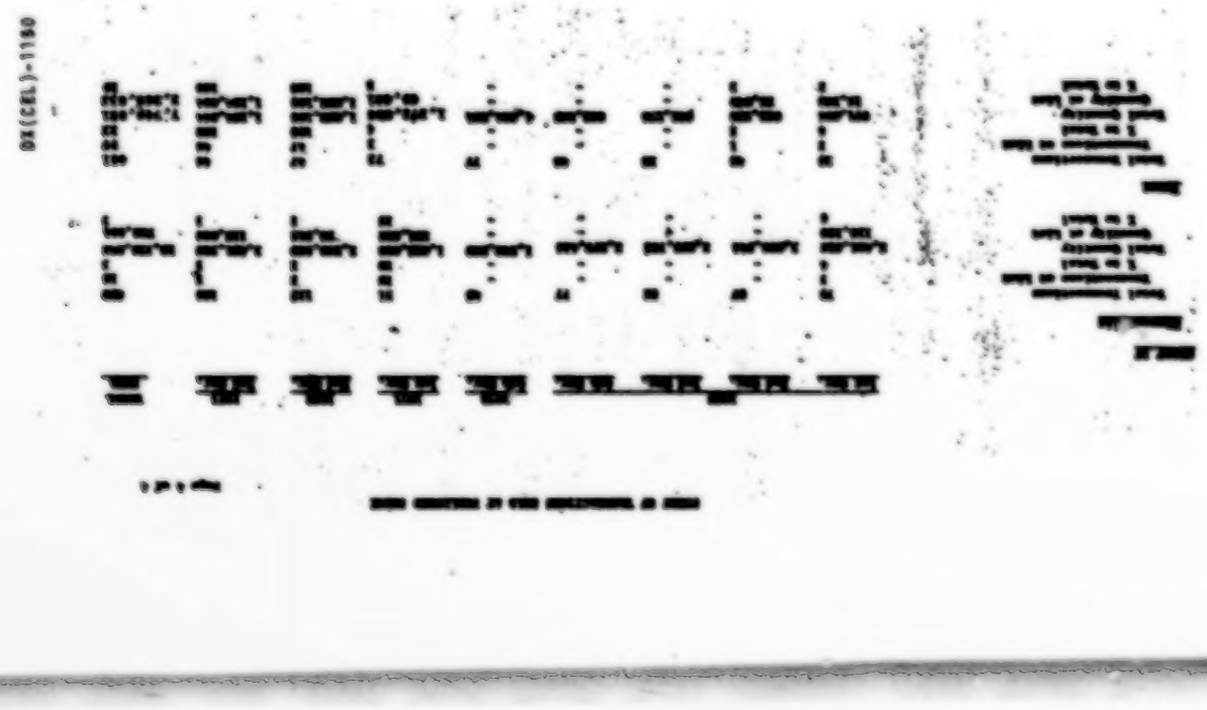

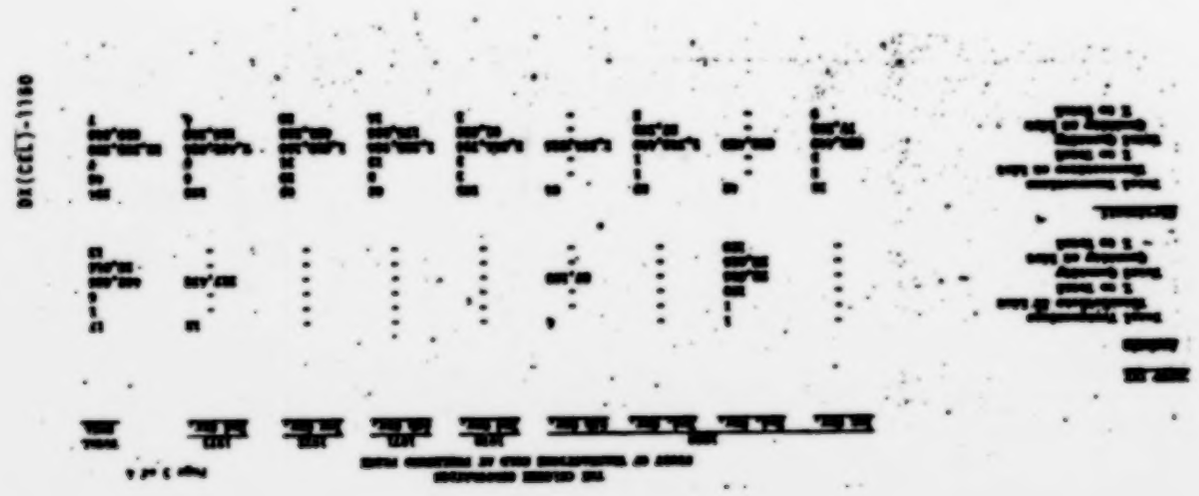

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CELOTEX PRICE TRANSACTION DOCUMENTS

MARKED FOR IDENTIFICATION

As DEFENSE EXHIBITS

DX(CEL) No.	CITY	Page Nos. Exhibit	Computer Printout
DX(CEL) 1142	Pittsburgh	3480618- 3480638	3484118- 3484338
DX(CEL) 1143	Boston	3480648- 3480618 3143398	3482368- 3482648
DX(CEL) 1144	New Orleans	3480628- 3480948	3483898- 3484108
DX(CEL) 1145	Anaheim	3480958- 3480968	3484588- 3484518
DX(CEL) 1146	Cincinnati	3480978- 3481428	3483658- 3483898
DX(CEL) 1147	Minneapolis	3481438- 3481698 3480658 3480798 3480878 3480888	3483478- 3483888
DX(CEL) 1148	Tampa	3481708- 3481838 3413488	3484348- 3484428
DX(CEL) 1149	Denver	3481848- 3482388 3480528- 3480688 3480708- 3480788 3480898- 3484068	3483188- 3483468

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DX (Brown)- 1

LAW OFFICES
MERRIAM, SMITH & MARSHALL
THIRTY WEST MONROE STREET
CHICAGO, ILLINOIS 60603
TELEPHONE

January 6, 1964

Mr. Robert F. Hause
Division of Research
National Gypsum Company
1650 Military Road
Buffalo, New York 14217

Re: United States Gypsum Company v. National Gypsum Company et al., Civil Action No. 59 C 896

Dear Bob:

Even though the decision of Judge Parsons and the judgment entered on December 23, 1964 established that the defendants (National Gypsum Company and Plaza Plastering Company, Inc.) do not infringe the Gill et al. patent and, as a result, the plaintiff takes nothing under the action, we advise an appeal from the judgment, all as provided under Rule 73. The appeal would be based on the error of dismissing our counterclaim relating to the alleged antitrust law violation and the patent misuse. It can also raise other matters which were decided favorably to the plaintiff. These are particularly directed to the alleged prior public use and the patent invalidity. No appeal relative to Gill being held a sole inventor seems desirable.

At this point plaintiff has lost its case. The entered judgment is in favor of the defendants. We suspect the plaintiff will appeal. However, since we would be notified of an appeal only through the Clerk's office, we probably would not know even as of the last day possible to file an appeal whether the plaintiff had taken such action. The appeal which we recommend on your behalf would be filed initially to protect our position and avoid any estoppels. It might happen that you would consider that any appeal filed by us should be withdrawn subsequent to its filing in the event that the plaintiff for any reason should fail to appeal.

The appeal situation has been discussed in some detail with Chuck. We believe there is an excellent chance to have the District Court reversed on appeal in respect of its dismissal of the counterclaim should we press the matter

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MERRIAN, SMITH & MARSHALL

Mr. Robert F. Hause
Page 2
January 6, 1965

to the ultimate. Any reversal of Judge Parsons would be, most likely, accompanied by an award of damages (perhaps even triple damages). While an appeal would involve considerable expense, the potential recovery and the protection against an estoppel seems sufficient to justify the procedure.

The time limit to appeal is January 22. Under the circumstances, may we have your comments no later than January 15. The issues are not complex so we doubt the need to meet for personal discussion at this time. However, if you should prefer to meet with us to go over the full matter, may we suggest a meeting here on the morning of Friday, January 15.

If an opportunity to settle this action and the other actions pending comes into being prior to the last date to appeal, it might be undesirable to appeal. If a settlement possibility arose after an appeal was filed, the appeal could be withdrawn. As of this writing, we have heard nothing from Mr. Spray. Chuck did talk with him, as you and Dean Crandell advised prior to the entry of judgment. On the bare chance that the plaintiff may not appeal, perhaps it would be desirable to meet soon after January 22 to discuss personally the pros and cons of withdrawing our appeal. In this event, we suggest that meeting, if held, should be arranged no later than Friday, January 29.

Sincerely,

SBS:wn

Samuel B. Smith

cc: Mr. Dean B. Crandell

DX(BROWN)-3

Mr. Dean B. Crandell

January 19, 1965

DX (Brown) 9

FILE MEMORANDUM:

At a meeting held here yesterday with executives of National Gypsum Company, including Mr. Colen Brown, Chairman of the Board of Directors; Mr. Fred Manske, President, and Mr. Dean B. Crandell, Vice President, the Spark Tape suit, the Von Hoenberg suit, and the Camp suit were discussed. Our conclusions on expenses were that the plaintiff, United States Gypsum Company, is likely to incur expenses about as follows:

Spark Tape suit	$500,000
Von Hoenberg and Camp suits	600,000
Additional Expenses to Appeal	300,000*
Total Cost Estimated for Suits and Possible Appeals	$1,300,000 to $1,400,000

* Possibly $100,000

From the standpoint of National Gypsum Company, had it taken licenses and made payments under the patents the possible outlays under the Spark Tape patent might have been $250,000, under the Camp patent $140,000, and under the Von Hoenberg patent $1,100,000 (conceivably, this might have been more than double if infringement was established). The total, then, might be as much as $1,490,000.

It was represented also that by reason of National contesting the validity of the United States Gypsum patents it could expect to spend perhaps $350,000 on the Spark Tape suit and possibly $400,000 on the Camp and Von Hoenberg suits, making a total of $750,000. This represents a contemplated saving of $1,140,000. I stated that this office considers an appeal in the Spark Tape suit warranted and justified. We consider the defenses against the Camp and Von Hoenberg patents as being practically overwhelming, so that in contesting the suits there should be no potential loss factor.

On the Von Hoenberg patent, I stated that, in our opinion, the patent was not being used and, therefore, is not being infringed. We consider it to be invalid. I also mentioned the fact that strong reliance can be placed upon the doctrine established in P.M.C. Corp. v. City of Greensboro, 336 F.2d 581 (4th Cir. 1964). As to the Camp patent, we believe strong evidence of violation of the antitrust laws exist. Some of the data alleged to exist

may be false and the conditions not reproducible. Laches and estoppel undoubtedly exist and preclude enforcement of the patent. In view of recent tests made at National mentioned by Mr. Crandell, the chance to show conclusively non-infringement appears excellent.

In regard to this action, attention was directed to the recent case of Bruletto et al, v. Thys Co., 143 U.S.P.Q. 284 (a United States Supreme Court decision of November 16, 1964, for which I do not know the U.S. citation). With this background the representatives of National Gypsum then met with executives of United States Gypsum for discussion.

Mr. Crandell called this morning to relate the general nature of the discussions with the United States Gypsum group. He reported that the first matter taken up covered situations where the parties agreed to endeavor to work out an understanding so that no additional suits would be filed except after conference and scientific investigation of the issues through jointly observed tests. Also, he said it was agreed that before any new suits would be filed, patent counsel would be consulted and asked to meet and report. Lastly, the parties agreed that the President of each company would be advised of an intent to sue prior to the actual filing of any action.

On the Spark Tape suit, the parties proposed to proceed with the contemplated appeals. As to the Von Hornburg and Camp patent suits, the parties will again give consideration to the possibility of referring the matter to arbitration. The executives of National Gypsum lean toward a type of possible settlement on the Von Hornburg and Camp patents where the matter will be referred to arbitration, but if the conclusions seem too far out of line with their own very careful investigation, they prefer to have the arbitration not necessarily binding. It appeared that the United States Gypsum group would prefer, perhaps, to have matters completely binding if referred to arbitration. Under the circumstances, Mr. Mansky will draft some thoughts concerning the type of arbitration which National favors and the United States Gypsum group will draft its suggested type, after which those matters will be discussed once more.

Mr. Crandell reported that he and the officers of National had indicated to the United States Gypsum group complete confidence of the outcome of the Von Hornburg and Camp suits. They pointed out that after the District Court's decision on the Spark Tape suit, United States Gypsum had actually taken nothing. Mr. Shaver expressed

FEB 1 65 A.L.L.

complete confidence that the Appellate Court would reverse the District Court. The officers of National expressed the completely opposite view.

* * * *

During the course of discussion prior to the time Messrs. Brown, Mansha and Crandell met with the United States Gypsum group, I made mention of the merger of Rostwell with Georgia-Pacific. I also mentioned that I understood that Weyerhauser had made some investigations to endeavor to merge with a group manufacturing wallboard. I stated that I believed that General Plywood had been badly depressed by the decision received in Kentucky not too long ago (United States Plywood Corporation v. General Plywood Corporation, 238 F. Supp 821 (W.D. Ky. 1964)), where its Alexander Patent No. 2,817,835 was held not to be infringed by United States Plywood, although the patent was held valid. I suggested that, in view of the trends toward broadening activities whereby makers of wallboard would also be able to offer plywood for constructions, it might not be amiss to think about investigating something about General. Mr. Crandell mentioned to me, this morning by telephone, that he regarded the suggestion as having been presented at an opportune time and thought that it had gone before the most likely officers at his company to consider such a matter.

Samuel B. Smith

SBS:mm

cc: Mr. Dean B. Crandell
Mr. Charles J. Merriam

FEB 1 65 A.L.L.

DI(BROWN)-5

bcc: D. D. Crandall

DX Brown 5

January 27, 1965

Mr. C. J. Merriam
Merriam, Smith & Marshall
30 West Monroe Street
Chicago, Illinois 60603

Dear Chuck:

As a result of the recent meeting of our top management with that of U.S. Gypsum, the subject of arbitration of some of our patent differences has again come up for consideration. One of the main points of non-concurrence is that of the advisability of such arbitration being binding in its conclusion.

I believe this is of particular concern when considering the definite possibility of a single individual as arbiter making an error in understanding or judgment of a matter such as the von Hamburg suit, where upward of three million dollars is involved.

Your brief comments on your views on this question, for consideration by our management, are requested.

Very truly yours,

NATIONAL GYPSUM COMPANY

R. F. Hause
Patent Counsel

RFH:ds

DI(BROWN)-6

DX Brown 6

LAW OFFICES
MERRIAM, SMITH & MARSHALL
CHICAGO, ILLINOIS 60603

February 5, 1965

Mr. Robert F. Hause
National Gypsum Company
1650 Military Road
Buffalo, New York 14217

Dear Bob:

In belated answer to yours of January 27, I think that arbitration can be of real value under the conditions I outlined some years ago, which are:

1. That the arbitration is not binding.

2. That the arbitrator's decision may be introduced in the event of a subsequent suit.

3. That it is clearly understood that the first two conditions are designed to avoid the taking of any substantial amount of testimony.

As you may recall, in the one arbitration carried on this way that I know of, each counsel made a statement of facts and a very small amount of testimony was taken. In fact, the whole thing was completed in less than a day on a very complicated situation. Each counsel had to be careful not to overstate his case because if he had done so, and it was shown in a subsequent court hearing that he had done so, the arbitrator's decision would'nt be worth the paper it was written on.

I am not at all sure that we can rely upon our friends at U.S.G. to accept or abide by such conditions because they are born nit pickers and weaselers. However, the attorneys involved in the Von Hamburg case have not

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PATENT DEPARTMENT

DX(BROWN)-6

McGRIAM, SMITH & MARSHALL

shows the proclivities of Mr. Pendleton in this respect and we might get somewhere. It is worth trying to see how far we can go.

Sincerely yours,

CJM/fh

Charles J. Merriam

DX(BROWN)-9

United States Gypsum Company
101 South Wacker Drive, Chicago 6

DX Brown 9

April 1, 1965

Mr. Fred A. Manske, President
National Gypsum Company
Buffalo, New York 14202

Dear Fred:

We have spent considerable time reviewing the suggestions made in your letter of January 27, and your proposed procedures relating to patent controversies. We agree that we should try to find some procedure to resolve patent controversies short of long and expensive litigation; and I am enclosing, for your consideration, a copy of a revised procedure designed to accomplish this objective.

It seems to us that the first step should be to get the controversy up to the executive level as soon as possible. We doubt that meetings between our patent departments and patent counsel would be of much value in resolving controversies. Therefore, in the suggested procedure, we have eliminated such meetings, but have provided that in the executive meetings each company may have present such advisors as they desire, which might well include members of their patent departments.

If we cannot settle the controversies in executive sessions, either between the presidents or the chairmen, then we think the controversies should go to a binding arbitration. We do not believe that an advisory opinion by a third party would serve any good purpose because both of us have confidence in our patent departments and patent lawyers, and the advice of a third party is not likely to be decisive. On the other hand, we think that one or more arbitrators properly selected for their competence in patent matters might well come to a more intelligent decision than would many District Court judges, who frequently have no technical background or training that would make them competent to pass on controversies relating to patents.

DI(BROWN)-9

Mr. Fred A. Manske -2- April 1, 1965

We would be willing to submit any future controversies to this suggested procedure. We would also be willing to submit the present controversies involving the Camp and Von Hamburg patents to the proposed procedure, and dismiss the cases now pending in the Federal District Court in Chicago, but we think the present controversy involving the Gill patent should remain in the courts. We have gone so far down the road in that controversy that it seems quite inadvisable to start all over again.

Then, we think that either one of us should have the right to withdraw from this procedure at any time. It may prove an unsatisfactory way of settling these controversies. However, we think that any controversy that is actually in arbitration should be carried through to a conclusion, and that any withdrawal from the procedure should operate only with respect to controversies that have not yet reached the stage of arbitration.

I will be glad to have your views on this suggested procedure.

Best wishes,

Sincerely yours,

Tex Shaver

C. H. Shaver
Chairman of the Board

Enclosure

cc: Mr. Colon Brown, Chairman
National Gypsum Company

NG-B-74

3-31-

DI(BROWN)-9

PROCEDURE REG'D DISC PATENTS
ISSUED TO OR ACQUIRED BY
NATIONAL GYPSUM COMPANY OR
UNITED STATES GYPSUM COMPANY

National Gypsum Company and United States Gypsum Company desire to find a way to resolve controversies between them relating to patents with a minimum of time and expense. (1) To ~~attain this objective, it has been suggested that whenever a controversy arises relating to patents,~~ the controversy should be promptly discussed between the executives of the two companies, with each company making a full disclosure of its position and the facts to support that position, and ~~that~~ if the controversy cannot be resolved by the executives, then it should be submitted to a ~~binding~~ arbitration. (3) In connection with ~~which,~~ (2) each company and its representatives and counsel will proceed promptly to present the facts to the arbitrator or arbitrators.

The following program is adopted:

(1) If and when a controversy exists between the companies relating to a patent owned by either company, the presidents of the two companies will meet together, with such advisors each may want present, and discuss the controversy and try to resolve it satisfactorily.

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DX(BROWN)-9

(2) If no satisfactory solution to the controversy is found in the meeting or meetings of the two presidents, then the chairmen of the companies will meet, again bringing with them such advisors as they want present, and try to resolve the controversy.

(3) If no solution is found to the controversy in steps (1) and (2), then the controversy shall be arbitrated under the rules and procedures of the American Arbitration Association, except that the arbitrator shall be jointly agreed upon by the two companies, and, failing agreement on a single arbitrator, then three arbitrators shall be appointed, one by United States Gypsum Company, one by National Gypsum Company and a third by the two arbitrators so selected, and failing agreement upon a third arbitrator, then the third arbitrator shall be appointed by the American Arbitration Association. No arbitrator shall be connected with either company as an employee, counsel or otherwise. The result of any arbitration shall be final and binding on both companies. Controversies involving antitrust matters and other collateral controversies shall not be subject to such arbitration.

(4) Both companies agree that the controversies involved in the following cases now in litigation:

NG-B-76

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1.	United States Gypsum Company v. National Gypsum Company (Camp Patent)	In the District Court of the United States - Chicago No. 63 C 2069
2.	United States Gypsum Company v. National Gypsum Company (Von Hamburg Patent)	In the District Court of the United States - Chicago No. 63 C 2070

shall come within the scope of this procedure. Both companies shall take the necessary steps to dismiss the above-named cases.

(5) This procedure may be terminated at any time by either company upon written notice to the other, except with respect to controversies in which an arbitrator or arbitrators have already been appointed.

NG-B-77

DX(BROWN)-10

Gold Bond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To: D. B. Littlewood Subject: U. S. G. Law Suits Date: April 7, 1965
From: Chairman's Office

DX (Brown) 10

The attached file is self-explanatory.

I am interested in a sound business method that protects the best interests of our Company but that would preclude the necessity for either U. S. G. or ourselves to rely on courts to settle any questions that may arise, particularly referring to patents.

I am, therefore, soliciting the benefit of your thoughts and suggestions, with the request that this entire subject be referred to our patent attorney in Chicago in the interest of obtaining the benefit of their suggestions and recommendations.

Because of existing law suits and further because this matter needs to be resolved as early as possible, I would appreciate your immediate attention and communication with me when you are prepared with a specific recommendation as to our position as we would describe it in acknowledging Mr. Shaver's letter of April 1st.

Oliver Brown

Attachment (complete file)

OBrb

ADMITTED

NG-B-71

DX(BROWN)-18A

Gold Bond

NATIONAL GYPSUM COMPANY
INTEROFFICE CORRESPONDENCE

Gold Bond

To: FILE Subject: CAMP PATENT
Asphalt and Wax Use in Gypsum Roofing
Date: May 18, 1965
From: Chairman's Office

DX (Brown) 18A

We claim agreement by USG representative in 1960 having committed his company not to attempt to employ any alleged rights under the patent.

(This was a result of representatives in the industry not being able to reach an agreement on testing procedures in the industry, and as would be promoted by the authorities who would approve the use of sheathing products. USG insisted on their testing methods which related to gypsum sheathing as manufactured by themselves employing specified portions of asphalt and wax in the core of the board. It was agreed that we would accept the testing procedures on the basis that either we would employ the use of combination of asphalt and wax similar to USG and with their agreement not to use the patent against us.)

We claim any rights under the patent as having been voided because of USG's knowledge of our use of this process and the presence of their patent, but without any request made by them for us to take a license until 1961, eleven years after the date of the patent.

We claim that the patent is non-valid because prior patents refer to the same claims as the patent in question, and only changed in the respect of proportions of asphalt and wax employed, and that proportions is a non-patentable knowledge.

Estimated cost if we lose -- $90,000.

Legal fees to date -- $42,000.

Fees for April, 1965 -- $2,400.

Oliver Brown

OBrb

NG-B-40

DX(BROWN)-18B

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: FILE

Subject: VON HAUSBERG Wet Strength Resin — Used in Gypsum Paper

Date: May 18, 1965
From: Chairman's Office

DX (Brown) 18B

1. We claim non-infringment — per cent of resin employed by National Gypsum Company below the minimum stated in the USG patent (1/2%).

2. We also claim patent invalid because of prior use in other types of paper.

3. USG patent directs its attention to the resin used specifically in gypsum paper.

4. Should USG be successful in their suit, the royalty cost is estimated between $2 and $3 million for the eight years life of the patent to date.

5. Future liability considered to be zero because of discontinuance by National Gypsum Company of use of the materials specified in the patent.

   Estimated cost per year about $300,000 if we did continue and did lose.

6. Legal cost to date — $50,100. Cost April, 1965 — $6,200.

Calvin Brown

CB:bb

DX(BROWN)-18C

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: FILE

Subject: GILL PATENT - SPARK TAPE

Date: May 18, 1965
From: Chairman's Office

DX (Brown) 18C

1. Both parties have appealed.

2. We claim the process contained in the patent does not perform the function of releasing air, thus eliminating blisters. We also claim prior use of the patent.

   Court decision — a) Set aside claim on misuse of patent and, therefore, our rights to damages.

   b) That National Gypsum Company was not infringing patent which was based on an exhibit (tape) which demonstrated perforation only in the center and thus not typical of our manufacture.

3. The patent has eight years to go.

4. Costs to date for defense — approximately $275,000.

   Additional $106,000 committed and in question but not yet paid.

   Estimated additional $80,000 to $150,000 to process suit through Supreme Court.

5. All concerned representing National Gypsum Company are of firm opinion of favorable outcome.

Calvin Brown

CB:bb

DX(BROWN)-19

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: R. F. Hause

cc: Colon Brown
D. D. Crandell

Subject: Moratorium
USG Patent Suits
Camp and VonHamburg

Date: May 25, 1965
From: Secretary

DX Brown 19

In a telephone conversation with USG patent attorney Pendleton at 4:00 this afternoon it was agreed that both sides will suspend action in the Camp and VonHamburg suits after matters in process are completed in order to give managements of the two companies an opportunity to develop a solution to patent controversies.

The spark tape suit is not affected.

Will you please advise outside counsel of this arrangement and instruct them to proceed with the depositions of Dean Crandell scheduled for next week in the VonHamburg suit and for the week of June 7 in the Camp suit. They should also follow up the May 24 hearing by meeting as instructed by the Court on June 1.

They should not plan to open up any other avenues of discovery or take any further action in these two suits pending efforts to develop a solution to the controversies. I believe it would be well for our counsel in Chicago to contact attorney Pendleton to handle any further details necessary to carry out this program.

No specific time limit was set on this moratorium but the parties will keep in mind that they are due to appear before the judge in September and it is hoped that we will have some progress to report by that time.

D. B. Littlewood

cc Shapiro

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MAY 27 1965
PATENT DEPARTMENT

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Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

DX Brown 21

To: R. F. Hause

cc: Colon Brown
F. A. Manske

Subject: U.S.G. Patent Suits

Date: July 21, 1965
From: Secretary

ADMITTED 25

During discussion this afternoon with the Chairman the following information was developed for your guidance.

On Friday, July 9, our Chairman reviewed the over-all patent situation with Mr. Morgan of U.S.G. We suggested a program to end all patent disputes. They were in general agreement with the idea but wanted to study it further particularly from the standpoint of determining what might be necessary to obtain approval by the Board of U.S.G.

Consequently, U.S.G. counsel advised our Chicago counsel that they had been instructed to proceed with the prosecution of all three suits.

Upon hearing this, our Chairman called Mr. Morgan on Monday, July 19, to clarify the status. During that telephone conversation it was agreed as follows:

1) Spark Tape - allow appeal to proceed as the decision will be left in the courts.

2) Sheathing (Camp) - the moratorium will continue with no further legal action as long as this does not jeopardize our position. There were indications that U.S.G. management is convinced of their weakness in this suit and they may be prepared to drop it. ?

3) Paper (VonHamburg) - the moratorium is modified to the extent necessary for U.S.G. to take depositions relative to establishing our possible prior-invention defense. It was indicated that if this can be satisfactorily established it may provide a basis for U.S.G. to drop the suit. USG argues that issue.

In complying with the foregoing it should be stressed to our counsel that we should not take, or fail to take, any action that will in any way jeopardize our legal position.

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R. F. Hause
July 21, 1965
Page Two

I explained to the Chairman that it would normally be our move to take depositions at this stage and that these would include their spectroscopy expert and VonHazmburg in that suit and Faulkner & Meyer in the Camp suit and we would plan to file a motion in the Camp suit to require U.S.G. to furnish complete files. I presume that our position will not be jeopardized by deferring this action at the present time.

D. B. Littlewood /pma

D. B. Littlewood

DBL:pma

DX(BROWN)-22

DX Brown 22

LAW OFFICES
MERRIAN, MARSHALL, SHAPIRO & KLOSE
THIRTY WEST MONROE STREET
CHICAGO, ILLINOIS 60603
TELEPHONE
FINANCIAL 6-8700

July 26, 1965

Mr. Colea Brown, Chairman
NATIONAL GYPSUM COMPANY
325 Delaware Avenue
Buffalo, New York 14202

Re: U. S. Gypsum v. National Gypsum Company
Civil Action 63-C-2069 (Camp Suit) and
Civil Action 63-C-2070 (Von Hazeburg Suit)

Dear Mr. Brown:

In a letter from Mr. Littlewood to Bob Hause of July 21, 1965, it was stated that National Gypsum should not take, or fail to take, any action that will in any way jeopardize their legal position.

In the absence of an agreement on or before September 17 between the parties concerning the settlement of the above suits, we believe National Gypsum's legal position could be jeopardized unless we initiate further discovery in the suits prior to that date, particularly if U. S. Gypsum can show that they were more active than National Gypsum in proceeding with discovery.

Judge Robson, who is presiding over both of the suits, has requested both National Gypsum and U. S. Gypsum to report to him on the 17th of September to inform him of the progress being made in discovery in order that he might then (1) set a date in which further discovery will be terminated and, possibly, (2) set dates for trials in these suits. Both suits have been pending since late 1963 and Judge Robson has stated he wants discovery to proceed.

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JUL 28 1965
PATENT DEPARTMENT

Camp Suit

In one of the meetings between counsel for the parties, it was estimated that about twelve depositions would possibly be taken by U. S. Gypsum, whereas, at the present time, we would expect that National Gypsum should take about six to ten depositions in order to complete its discovery. Some of these depositions shall probably extend over about two to four days for each such person deposed.

Both parties have told the Court that they intend to take a rather large number of depositions.

To date, the parties have exchanged documents with each other and the deposition of Dean Crandell was taken by U. S. Gypsum in June, 1965. Since that date, very little activity has occurred relative to this suit pursuant to the terms of the moratorium. National Gypsum has, as of this date, taken no depositions, although under the terms of a previous agreement worked out between counsel for the parties, National Gypsum is in line to take the next deposition in this suit.

Before taking any depositions, however, we believe it behooves us to interview a former U. S. Gypsum employee, Dr. Delbert F. Jurgeson, who, we have ascertained, resides in New York. Dr. Jurgeson did some work back about 1940, which we believe has an important bearing on the question of lack of invention, and whether Jurgeson was the inventor of the subject matter claimed in the Von Hazmburg patent.

Moreover, in the course of Mr. Crandell's deposition, it appeared U. S. Gypsum was of the opinion that National Gypsum copied the alleged invention claimed in the Camp patent through information received from a former U. S. Gypsum employee. We are quite sure this is not the case but in order to establish this it is important, in our opinion, to discuss National Gypsum's development of gypsum sheathing with Mr. Donald Cleaves, a former National Gypsum employee who presently resides in Daphne, Alabama. It may also be required that other individuals should be contacted regarding this and other issues in this suit.

We believe that a motion to produce withheld documents, as well as a set of interrogatories, should be prepared and filed in order that we can further narrow the issues in this suit and obtain additional relevant documents.

Von Hazmburg Suit

Both parties have informed the Court that they intend to take rather extensive discovery. We intend to take five to ten depositions, and counsel for U. S. Gypsum has indicated he is considering taking ten to fifteen depositions. Based on the length of time taken by U. S. Gypsum in the past, we expect that each of several of the witnesses deposed by U. S. Gypsum will be questioned for about five days, or longer.

In the Von Hazmburg suit, the parties have exchanged documents; National Gypsum has received a favorable ruling with respect to its motion to produce documents previously withheld by U. S. Gypsum; National Gypsum started, but did not complete, the depositions of John Wise and Dr. Von Hazmburg, both of U. S. Gypsum, in early 1964; and National Gypsum has taken the deposition of Mr. Kahn of American Cyanamid in April, 1965. U. S. Gypsum has started the deposition of R. M. Baker, completed the deposition of Dean Crandell in May, 1965, and is scheduled to complete, in the near future, Baker's and J. Baker's depositions, as well as the depositions of R. Harris and C. M. Hill, after which it shall be National Gypsum's turn to take depositions. We should now be preparing for our taking of Von Hazmburg's deposition.

There are several areas of discovery that are important to National Gypsum's case. We should take the deposition of Dr. Von Hazmburg, as well as several technical men from U. S. Gypsum and their two technical expert witnesses. We also wish to have Dr. Wiberley of Rensselaer review some of the esoteric studies made by U. S. Gypsum's expert witnesses.

Further, we wish to prepare further interrogatories and requests for admissions, and subpoena certain documents in the possession of U. S. Gypsum's expert witnesses.

We are interested that National Gypsum's proof of its defenses in both suits not be prejudiced by insufficient discovery before trial. As you can see, we believe that considerable time and effort must be expended in preparing for trial.

Very truly yours,

Norman

Norman M. Shapiro

NMS:ts

cc: Mr. F. A. Manske, President
Mr. D. B. Littlewood, Secretary
Mr. Robert F. Kamm

DX(BROWN)-23

DX Brown 23

LAW OFFICES

MERRIAM, MARSHALL, SHAPIRO & KLOSE

THIRTY WEST MONROE STREET

CHICAGO, ILLINOIS 60603

TELEPHONE

July 27, 1965

Mr. Colon Brown, Chairman
National Gypsum Company
325 Delaware Avenue
Buffalo, New York 14202

Re: U. S. Gypsum v. National Gypsum Company
Civil Action 63-C-2069 (Camp Suit) and
Civil Action 63-C-2070 (Von Hazmburg Suit)

Dear Mr. Brown:

I thought I should add a supplement to Mr. Shapiro's letter of yesterday.

We have two problems that have to be met before September 17. The first is that there are areas of discovery which we have to have before the trial and which we are not likely to get an opportunity to cover unless we do something substantial before September 17.

Secondly, unless we do something in the way of moving ahead, particularly in the Camp suit, the Judge is likely and, in fact, almost is certain, to give preference to our adversaries, who are in a better position to make a showing than we are. In other words, even if some of the material in the Camp suit was not vital, it would be important to cover it to preserve our position, come September 17.

In the first category is material such as the examination of Mr. Jurgesen and, possibly, Mr. King, who

RECEIVED RESEARCH
JUL 29 1965
PATENT DEPARTMENT

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MERRIAM, MARSHALL, SHAPIRO & KLOSE

Mr. Colon Brown
July 27, 1965
Page Two

worked at U. S. Gypsum before the issuance of the Camp patent, and are probably the best references to the patent that we have. The only opportunity we have to get this information from people who formerly worked for U. S. Gypsum (and Mr. King still does) is to preserve it by deposition, since they will undoubtedly be able to persuade these people to come to the trial if they wish it, but we could not.

Our position in the Von Hazmburg case is not so critical because at least U. S. Gypsum will be moving through the summer and our being present while they take depositions will give us some excuse. There are, however, areas here, such as the completion of the Von Hazmburg deposition, which could be critical, particularly in view of Dr. Von Hazmburg's physical condition and age. Further, we will need to consult Dr. Wiberley and have him do some work before we take the deposition of their technical experts.

I am thoroughly in sympathy with the moratorium and I believe that your last letter gives us authority to deviate from the moratorium where we think it will seriously prejudice our case. We will, accordingly, proceed only in those areas where it seems to us to be a serious impediment to your position if we do not. We will keep you informed as to the areas in which we propose to go ahead. It may be that an initial investigation will show that some of these areas are not worth pursuing. On the other hand, it may open up other areas which we had not suspected.

Preparation for a law suit is, in many respects, like reconnaissance at war. You cannot predict what you will find by reconnaissance, but certain areas of reconnaissance

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HERRIAN, MARSHALL, SHAPIRO & KLOSK

Mr. Colon Brown
July 27, 1965
Page Three

must be explored whether you are about to advance, or wish to be prepared against an advance by the other side.

I hope that you will rely on our discretion to do nothing which we do not think completely essential under all the circumstances.

Very truly yours,

Charles J. Merriam

CJM/fh

cc: Mr. F. A. Manske, President
Mr. D. B. Littlewood, Secretary
Mr. Robert F. Hause

DX(BROWN)-24

NATIONAL GYPSUM COMPANY

BUFFALO, NEW YORK

ACCEPTED

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DX(BROWN)-27

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: Colon Brown
F. A. Manske
R. F. Hause

Subject: USG Patent Suits

Date August 23, 1965
From Secretary

DX Brown 27

Bob Hause reports that the depositions of Harris and Hill were completed last week. The testimony appears to have substantiated our contention that a transition roll of paper was made containing Kymene on April 30, 1964 which was one day prior to the first use claimed by USG.

USG did not indicate they plan any further depositions. It is presumed that the results will now be reviewed by management so they may take a position with respect to a proposed solution to patent disputes. You may possibly expect to hear from them this week.

You will recall from my letter of July 28 that our counsel advised that our position will be jeopardized in the sheathing case if we do not take a deposition before a court call scheduled for September 17. Accordingly if we do not hear from USG before next Monday or Tuesday I plan to ask you to call them to explain that we consider it necessary to take one deposition in the sheathing suit in order to protect our position.

D. B. Littlewood

CM

NG-B-31

DX(BROWN)-29

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: Colon Brown

cc: F. A. Manske
R. F. Hause

Subject: USG Patent Suits

Sept 14

Date August 31, 1965
From Secretary

DX Brown 29

In line with recent request there is attached a status report on these suits prepared by attorney Hause in preparation for your meeting with Chairman Borgna on September 8.

You have just advised me that this meeting has now been postponed to Wednesday, September 15. I have just confirmed with counsel that this will make it necessary for us to take one deposition in the sheathing suit in order to prevent our position being jeopardized at a court call scheduled for September 17.

Patent attorney Hause will write you advising of this necessity and requesting your approval. In line with our discussion this memo will be in a form that will permit you to forward it to Mr. Borgna for the purpose of advising of our intentions under the terms of the moratorium agreement. Our counsel will not contact USG's counsel with regard to this deposition until we know that Mr. Borgna's office has been advised of our plans.

As to the attached status report, I have asked Bob Hause to give you a brief supplement just prior to your meeting of September 15 in order to cover this interim period.

D. B. Littlewood

CM

Attach.

NG-R-29

DI(BROWN)-29

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NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To D. B. Littlewood Subject USG Patent Suits Date August 30, 1965
From R. F. Hause

This status report is directed to all three pending patent suits which have been filed against us by USG.

PAST AND FUTURE ACTIVITIES

The only outstanding action due by us at this time is to attend the status call in Judge Robson's court on September 17, directed to his considering our status on the wet strength paper and the gypsum sheathing patent suits, at which time he has indicated he may set a cut-off date for further discovery proceedings.

There will be some work required to check over, make corrections, and abstract the four depositions in the wet strength suit which were taken by USG this month. Studies are in process of the numerous documents which we just received from USG in the wet strength suit, by court order, which they had previously withheld as privileged documents. Many relate to the work of their infrared spectroscopist, Dr. Clara Smith, whose deposition we plan to take if and when the moratorium restrictions are withdrawn to this extent. We plan on consultations with our like expert, Dr. Stephen Wilberly of R.P.I. We have started and contemplate continuing, when timely, the depositions of the inventor, Dr. von Hazmburg, and the USG house patent counsel, John Wise. We may need further depositions to determine their date of invention. We have conducted discovery at American Cyanamid of relevant information. USG attorneys have indicated their intent to depose plant personnel at our Garwood, Anniston and Pryor paper mills.

In the sheathing suit we have not even started taking our depositions. USG took Mr. Crandell's. We had considered taking Dr. Jurgenson, who left USG in 1961, and who may well be the true first inventor, making the patent in suit invalid. Alternatively, he may be kept for a surprise witness at the trial. USG should not be informed of this. Depositions may be desired of Earl Faulkner, ex USG, and Malcolm Meyer, Certainteed, who were involved, with Dean Crandell, in the 1950 agreement of USG to not use this patent against the industry. Other USG researchers of the late 1930's may be worth deposing to help prove up lack of invention, lack of criticality, inaccuracy and incompleteness of the patent data, in addition to such early ex National Gypsum researchers as Gleaves and Ryan.

DI(BROWN)-29

-2-

The appeal of the spark tape suit, which we won in District Court, is moving very slowly. Substantially all that has been happening for the past five months is that USG has been listing those portions of the trial record and evidence they wish printed in the appendix to go to the Court of Appeals. After it is completed and the appendix is then printed they will have at least 30 days to file their brief, before action is due by us.

STRENGTH OF OUR POSITION

We have always considered our position to be very good in all three suits. Substantially all recent activities in any of the suits has been of a nature to further strengthen our position.

Of most interest was the testimony in August relating to the time National Gypsum personnel completed "the invention" of using wet strength resin in gypsum wallboard paper. Our four witnesses testified very consistently and completely to the matter of our first completion of the steps of the patent claim and the evaluation of the results, establishing the facts to the best of our previous expectations. USG people should have a good idea of what they can prove as their comparable date of completion of the invention. We haven't conducted our discovery on this matter yet. They may now know that this phase of our defense is of such a nature that they would choose to drop the suit. In view of USG's having indicated this possibility based on what they knew before August, and in view of our witnesses having proved up all we expected, it would seem that from what USG now knows they would be inclined to offer to drop the suit.

Another issue which USG has investigated in August relates to the facts showing exactly how much wet strength resin we add. The patent covers .5% to 3.0%. We have always said we use about .25%, or not more than .4%, or never as much as .5%, in various correspondence, interrogatory answers, etc. The August testimony has indicated that although no two paper runs at Kalamazoo are exactly alike in all aspects from which percentage is computed, speed, weight, caliper, resin addition rate, etc., the facts and testimony do bear out this basic position we have always taken, that we have not infringed USG's patent.

Our position in the sheathing suit was strengthened by Dean Crandell's testimony in June, and also by facts just uncovered this month in interviewing Dr. Jurgenson, a former USG employee. This latter matter should be kept confidential.

DX(BROWN)-29

-3-

It seems, in my opinion, almost impossible that the appeal in the spark tape suit could result in a decision any worse than our position now with the bare victory in the District Court.

Secondly, if we somehow lost, the reasonable royalty we would have to pay is estimated at about $100,000. If we win an appeal or if we settle, there is a contingent fee potentially due our trial counsel in excess of $100,000. The exact terms of the contingency agreement are somewhat ambiguous, but I believe them to be at least in accordance with this last sentence. If we complete the appeal there is a definite possibility of collecting attorneys fees, and/or damages, possibly tripled, from USG.

R. F. Hause

RFH:gmk

DX(BROWN)-30

DX Brown 30

F. A. Manske

cc: D. B. Littlewood

September 13, 1965
Chairman's Office

Mr. Morgan of U. S. Gypsum Company is scheduled to visit with us on Wednesday, the 15th.

Will you please arrange for a brief discussion at some convenient time on Tuesday in order that all concerned may be fully up to date on the subject of patent suits.

Colon Brown

NGT-B-27

DX(BROWN)-31

GENERAL SERVICES ADMINISTRATION
National Archives and Records Service,

DX Brown 31

To whom these presents shall come, Greeting:

By virtue of the authority vested in me by the Administrator of General Services, I certify that the attached reproduction(s) is a true and correct copy of documents in his custody.

For Edward J. Hanrahan

R.L. HUTCHINSON — 6-13-75
Director
Federal Archives & Records Center GSA

Federal Archives and Records Center GSA
7358 S. Pulaski Road
Chicago, Ill. 60629

GSA

DX(BROWN)-31

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES GYPSUM COMPANY,
a corporation,

Plaintiff,

vs. No. 63 C 2070

NATIONAL GYPSUM COMPANY,
a corporation,

Defendant.

TRANSCRIPT OF PROCEEDINGS

had in the above-entitled cause before the HON. EDWIN A. ROBSON, one of the Judges of said Court, in his courtroom in the United States Courthouse, Chicago, Illinois, on Monday, October 28, 1968, at the hour of 10:00 o'clock a.m.

PRESENT:

MESSRS. PENDLETON, NEUMAN, SEIBOLD & WILLIAMS, (Suite 2015, 77 West Washington Street, Chicago, Illinois), by
MR. ARTHUR B. SEIBOLD,
MR. FRED T. WILLIAMS,

appeared for Plaintiff;

MESSRS. MERRIAM, SMITH & MARSHALL, (10th Floor, 30 West Monroe Street, Chicago, Illinois), by
MR. NORMAN M. SHAPIRO,

appeared for Defendant.

THE CLERK: 63 C 2069 and 63 C 2070, United States Gypsum Company versus National Gypsum Company. For report on status.

MR. SHAPIRO: Good morning, your Honor.

Your Honor, September 17th was the last court call. In accordance with a request, the Court granted a 60-day moratorium because, at that time, the top executives of both companies were in the process of discussing settlement of this suit. An offer had been made two days before that on September 15. That was two days before the Court call. You suggested that we appear today -- at the end of about a little over a month -- and report on the progress.

Well, your Honor, on behalf of National Gypsum, I wish to state that the offer made by U. S. Gypsum to National Gypsum is in the process of being thoroughly considered internally.

It requires that reports be made internally by various members of the corporation. Some of those reports have been made and sub-

Last week communication existed between National Gypsum and U. S. Gypsum requesting clarification on one of the terms. That clarification has been dissolved and we received a response from U. S. Gypsum.

I have been informed, as of yesterday, that National Gypsum expects to notify U. S. Gypsum in the near future of its position, and that, I assume, that the internal discussions and reports and studies within National Gypsum have been completed.

THE COURT: Is that in conformance with your understanding?

MR. SEIBOLD: That is right. We have no information other than what he has given. We did submit an offer and we have not received a reply to it, and counsel has explained the reason, which he also told us, counsel for plaintiff, yesterday.

That is all the information we have, your Honor.

THE COURT: Well, let me ask this one question.

From your knowledge of it, does it

look encouraging as to the possibilities of settlement?

MR. SHAPIRO: Your Honor, I have not partaken in any aspect of the settlement. All I can simply say is that, if there was no interest, they would not have reached this point. In other words --

THE COURT: What would you suggest?

MR. SHAPIRO: I suggest we put it on the court call in thirty days at that time to report.

THE COURT: If it is not, then I will expect the parties to go ahead expeditiously to complete it.

I will put it on for November 23 for report on status.

MR. SHAPIRO: Thank you, your Honor.

(WHICH were all of the proceedings had in the above-entitled cause on the day and date aforesaid.)

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES GYPSUM COMPANY, a corporation, Plaintiff, vs. NATIONAL GYPSUM COMPANY, a corporation, Defendant.	No. 63 C 2070

CERTIFICATE

I HEREBY CERTIFY that the proceedings had in the above-mentioned cause before the HON. EDWIN A. ROBSON, one of the Judges of said Court, on Monday, October 22, 1965, were reported in shorthand under my direct personal supervision, and that the foregoing transcript consisting of pages 1 to 4, inclusive, is a true, correct and complete transcript of the official shorthand notes so made as aforesaid.

Claude W. Yonker, Jr.,
Official Court Reporter
United States District Court
Northern District of Illinois
Eastern Division

DX(BROWN)-31

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES GYPSUM COMPANY, a corporation,	)	
Plaintiff,	)	No. 63 C 2069
vs.	)	No. 63 C 2070
NATIONAL GYPSUM COMPANY, a corporation,	)	
Defendant.	)	

TRANSCRIPT OF PROCEEDINGS

had in the above-entitled causes before the Honorable EDWIN A. ROBSON, one of the Judges of said Court, in his courtroom in the United States Courthouse, Chicago, Illinois, on Friday, September 17, 1965, at the hour of 10:00 o'clock a.m.

PRESENT:

MESSRS. PENDLETON, NEUMAN, SEIBOLD & WILLIAMS
(Suite 2015, 77 West Washington Street, Chicago, Illinois), by
MR. ARTHUR B. SEIBOLD, JR., and
MR. FRED T. WILLIAMS,

appeared for plaintiff;

MESSRS. KERKIAN, SMITH & MARSHALL
(10th Floor, 30 West Monroe Street, Chicago, Illinois), by
MR. NORMAN M. SHAPIRO,

appeared for defendant.

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DX(BROWN)-31

(The Court gave attention to other matters on the call, after which the following proceedings were had herein, to-wit:)

THE CLERK: 63 C 2069 and 63 C 2070, United States Gypsum Company against National Gypsum Company, for report on status.

THE COURT: Good morning, counsel.

I have examined the letter and the memorandum and affidavit submitted by counsel, and I would suggest that I put it on at 9:15 on October 6th and we will go over it at that time, if that is agreeable with counsel.

MR. WILLIAMS: Which case is that, your Honor?

THE COURT: This is on U.S. Gypsum, 63 C 27.

MR. WILLIAMS: Your Honor, that has been resolved. That was an affidavit that was submitted prior to the decision --

THE COURT: Well, this was tossed in my lap this morning. I thought we had resolved all of that.

MR. WILLIAMS: Yes, your Honor. We are here this morning on a status call.

THE COURT: Yes. A status report in connection with both cases.

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MR. SEIBOLD: Your Honor, since the last status report in 2069, the earlier of the two cases, both sides have taken some depositions and both sides have requested the other for additional documents that have been withheld.

You may recall that in both cases we have been trying to resolve our problems and exchange documents, and that is something that still has to be worked out. We have not gotten to the point where we can do that.

Now, just Wednesday the principals of both parties met in Buffalo and discussed the possibility of settlement.

THE COURT: That is welcome news.

MR. SEIBOLD: Well, prior to that time there had been some feelers or slight discussions, but not enough to discontinue discovery, which was continued. But on Wednesday it was a serious meeting and an offer was made by one of the parties, and is being considered by the other parties, and under those circumstances -- and this, incidentally, has to do with both of the cases -- so, under those circumstances we would like to have a moratorium for 60 days to let the principals attempt to work out a settlement. If that fails,

then we would go right ahead again, but we didn't want to continue in the meantime if this could be settled.

MR. WILLIAMS: In that connection, your Honor, pursuant to your admonition in April, we have taken depositions this summer in Stamford, Connecticut, in Buffalo, New York and in Kalamazoo, Michigan and Bay City, Michigan in Case 2070.

We have resolved the problem of the exchange of documents on interrogatories. We have been very active.

This serious settlement discussion just came up very recently, and we have been asked by our principal to request a moratorium so we won't go into further expense while this matter is being discussed at the top level between the principals.

MR. SHAPIRO: Your Honor, I have been advised of the same information as told to the Court by both counsel of U.S. Gypsum that serious negotiations are under way. We, too, would like a 60-day moratorium.

I would like to add one point to what Mr. Seibold mentioned: The present negotiations are on the highest executive levels in both companies.

THE COURT: Well, let me make this suggestion:

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I will put it on for a status report approximately 30 days from now. If negotiations are progressing satisfactorily,at that time I will grant another 30 days. If the negotiations have broken down and it does not look as though it is going to be consummated, then I will ask you to proceed.

I will put it on for October 22nd for further status report.

MR. SEIBOLD: Thank you, your Honor.

MR. SHAPIRO: Thank you, your Honor.

(WHICH were all of the proceedings had in the above-entitled cause on the day and date aforesaid.)

- - -

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES GYPSUM COMPANY, a corporation, Plaintiff,	)	
vs.	)	No. 63 C 2069 No. 63 C 2070
NATIONAL GYPSUM COMPANY, a corporation, Defendant.	)	

C E R T I F I C A T E

I HEREBY CERTIFY that the proceedings had in the above-entitled cause before the Honorable EDWIN A. ROBSON on Friday, September 17, 1965 were reported in shorthand under my direct supervision, and that the foregoing typewritten transcript, consisting of pages 1 to 5,is a true, correct and complete transcript of the official shorthand notes so made as aforesaid.

Claude F. Foster, C.S.R.
Official Reporter, United States District Court, Northern District of Illinois

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DX(BROWN)-34

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: Colon Brown Subject USG SUIT Date October 1, 1965
From Melvin H. Baker

DX Brown 34

In reference to the attached patent suits with USG covering Von Hasmburg, T. P. Camp and Spark Tape, I have had some misgivings about our position on the Camp patent. The process did give us the competitive product at the time when we knew of no other way to get it. I believe Crandall had an understanding for our use at the Association meeting. Unfortunately, we have no evidance to support that. I fear we may be over optimistic as to the outcome of court trial.

We appear to have a good case under the Von Hasmburg patent. I concur with you that the Spark Tape suit should be completed in court.

Rather than spend the money for attorney fees and the time of our people, I suggest settlement for Von Hasmburg and Camp patents for some amount within the limit of $125,000 you had mentioned. One can find a good principle for continuing these suits, but from a practical standpoint, I believe there are good reasons for settlement, not the least of which is to get these old barnacles off of your back, that you may have a clean slate to devote your energies for future growth of the Company.

Melvin H. Baker

pl

ADMITTED

NG-B-33

DX(BROWN)-35

Gold Bond

NATIONAL GYPSUM COMPANY

INTEROFFICE CORRESPONDENCE

Gold Bond

To: R. F. Hause Subject USG Patent Suits Date October 13, 1965
From Secretary

cc: Colon Brown
F. A. Hazabe

DX Brown 35

Following our telephone conversation this morning our Chairman talked with USG's Chairman and it was agreed that before we determine our reaction to USG's settlement proposal it would be well to know the amount of dollars actually involved so we do not find ourselves in another hassle over that subject. Accordingly the Chairman agreed that USG would write to us describing in detail the method under which calculations are to be made in order to arrive at the amount of settlement which USG has proposed. In effect they have said that they would prescribe the formula and will accept whatever figure we develop by preparing computations in accordance therewith.

Our Chairman mentioned that we may have difficulty with computations covering only a portion of a month and I believe USG's Chairman said they would not be concerned about such minor details.

In any event we will now wait to receive the written communication from USG. We will then ask our Controllers to compute the amount of settlement based on USG's formula. That will be given to the Chairman and he will then decide our position and communicate with USG.

If we do not have word from them by next Tuesday, October 19 this fact should be brought to the attention of the Chairman for appropriate action.

The moratorium continues and no further expense should be incurred on the Camp or Vonhasmburg Patent Suits.

D. B. Littlewood

RECEIVED RESEARCH
OCT 18 1965
PATENT DEPARTMENT

P-125

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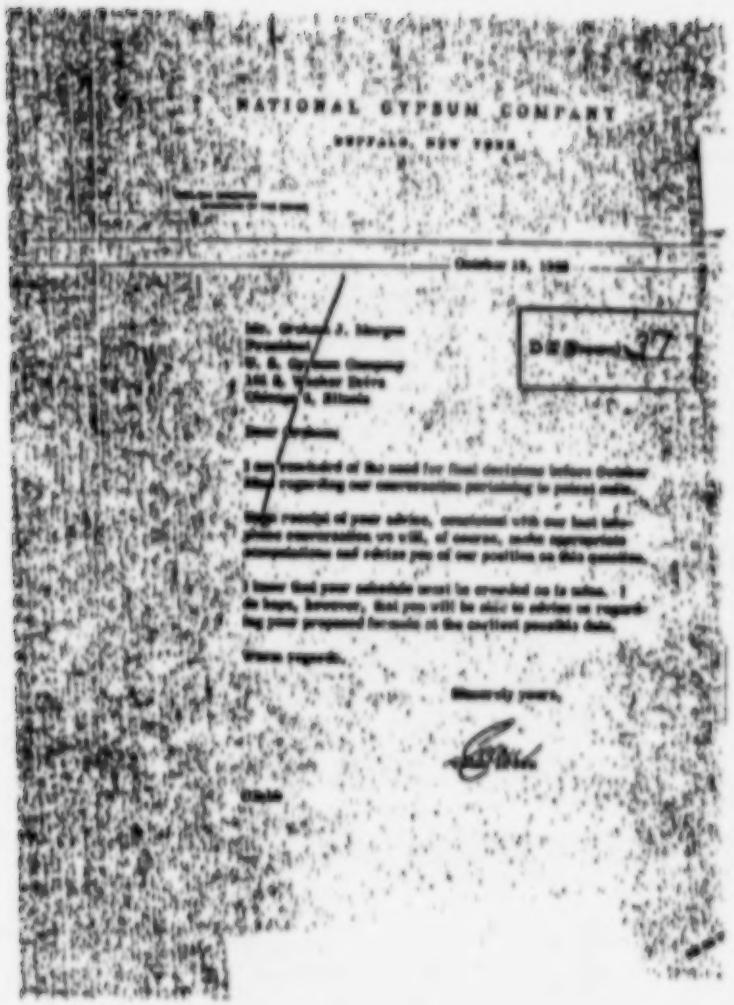

NATIONAL GYPSUM COMPANY

BUFFALO, NEW YORK

October 15, 1965

DX [illegible] 37

Mr. Orland J. Morgan
President
U. S. Gypsum Company
101 S. Wacker Drive
Chicago 6, Illinois

Dear Orland:

I was reminded of the need for final decisions before October [illegible] regarding our conversations pertaining to patent suits.

Upon receipt of your advice, concurred with our last telephone conversation we will, of course, make appropriate arrangements and advise you of our position on this question.

I hope that your schedule went to crowded as to allow. I do hope, however, that you will be able to advise us regarding your proposed formula at the earliest possible date.

Warm regards.

Sincerely yours,

[signature]

Colon

DX(BROWN)-38

DX [illegible] 38

United States Gypsum Company

101 South Wacker Drive, Chicago 60606

October 18, 1965

Mr. Colon Brown, Chairman
National Gypsum Company
Buffalo, New York 14202

Dear Colon:

In accordance with your request of last week, the following sets forth the general terms and conditions of settlement of the two suits now pending in the Court of Judge Robson in Chicago, which we discussed at the meeting in your offices in Buffalo on September 15, 1965.

United States Gypsum Company v. National Gypsum Company (Camp Patent)	In the District Court of the United States - Chicago No. 63 C 2069

National Gypsum Company would pay U.S.G. an amount to be determined as follows:

1¢ of the net sales price of sheathing, utilizing claims of the patent, sold by National during the period from November 15, 1957 (six years prior to date of filing of the suit) to December 15, 1965, the date of expiration of the patent. To facilitate calculations, you have suggested that the first or the end of those months be used as beginning and cutoff dates as such figures are more readily available. This is satisfactory with us.

United States Gypsum Company v. National Gypsum Company (Vandenburg Patent)	In the District Court of the United States Chicago No. 63 C 2070

In the event that the terms of settlement of the Camp Patent suit are acceptable to National and payment is made to U.S.G. on the basis

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BX(BROWN)-38

Mr. Colon Brown -2- October 18, 1965

proposed, U.S.G. would drop the vonBaumbach suit against National and this matter would be considered closed.

While the proposed settlement of these two suits represent a drastic compromise on the part of U.S.G. from the position we have held, it is done in the spirit of resolving our differences as urged by you during your visit to my office. As both of us have indicated, it is ridiculous to spend the amount of money necessary to resolve these two suits through further litigation.

Since your call of last week, our patent counsel has advised that a report must be made on the status of these two suits to Judge Robson on October 22nd, which is Friday of this week. Therefore, it appears desirable that we resolve the basis of settlement of these two suits, at least in principle, before the end of the week so that the Judge can be so advised.

Will appreciate hearing from you as soon as you have considered the matter further.

Regards,

Sincerely yours,

BX(BROWN)-41

Photographic Copies DBC 10/28/65

MERRIAN, MARSHALL, SHAPIRO & KLOSE
CHICAGO, ILLINOIS

October 22, 1965

Mr. Robert F. Haase
Research Division
National Gypsum Company
1650 Military Road
Buffalo 17, New York

Re: U.S. Gypsum Co. v. Nat'l. Gypsum Co.
C.A. Nos. 63 C 2069 and 63 C 2070

Dear Bob:

This is to confirm our telephone conversation of today concerning the court call that was held today with respect to both the above suits.

Judge Robson did not appear inclined to extend the moratorium another thirty days until I explained to him that National Gypsum has diligently pursued internally its consideration of U.S.G.'s offer of settlement of September 15.

The court then agreed to extend the moratorium until November 15, at which time there will be another court call. The judge stated that unless the suit is settled by the next court call, the moratorium will be ended and he will expect the cases to proceed in an expeditious manner.

I do not believe that the court will grant another extension beyond the November 15 date merely because both parties have been actively negotiating. I believe that the judge expects the settlement negotiations to be resolved prior to the next court call, otherwise both cases shall proceed without further delay.

Very truly yours,

Norman M. Shapiro

NMS:jb

RECEIVED RESEARCH
OCT 25 1965
PATENT DEPARTMENT

DX(BROWN)-43

DX Brown 43

United States Gypsum Company

101 South Wacker Drive, Chicago 60606

OFFICE OF THE PRESIDENT

November 8, 1965

Mr. Colon Brown, Chairman
National Gypsum Company
325 Delaware Avenue
Buffalo 2, New York

Dear Colon:

As agreed during our recent telephone conversation, our attorneys have put in final form, and I have executed, the settlement agreement papers relative to the two suits presently pending between our companies in the United States District Court here in Chicago.

These are being sent to you with the understanding that they will be executed on behalf of your company and that payment of the sum agreed upon for settlement will be made within fifteen days.

I understand that the matter is to come before Judge Robson on November 23 and, accordingly, urge that it be resolved by then.

Our attorneys suggest that a separate order of dismissal referring to the counterclaim, as well as the complaint, be entered in each case, rather than have the judge merely sign the stipulation paper. I suggest that we leave the matter to our respective lawyers and let them decide what is appropriate.

Again, Colon, I think this is a constructive move and will permit both companies to devote our time and monies to more important matters.

Thank you for your cooperation.

Sincerely yours,

Graham J. Morgan

P-130

DX(BROWN)-45

DX Brown 45

cc: D. B. Littlewood
R. O. Kreinheder

November 19, 1965

Mr. H.M. Shapiro
Merriam, Marshall, Shapiro
and Klose
30 West Monroe Street
Chicago, Illinois 60603

Dear Hank:

Enclosed herewith are three copies of the agreement settling the wet-strength and sheathing suits which have been executed by both USG and National Gypsum, effective the 19th day of November, 1965. You are requested to transmit to Mr. Pendleton's firm the copy with the backing and one other copy. We have retained the ribbon copy with a backing for our permanent files. I would appreciate your returning the other executed copy for my files on completion of your work in the Court.

It is requested that a Stipulation and Order of Discontinuance of Action for each of the two respective suits be prepared by one of the two firms, as well as whatever other forms your firm and Mr. Pendleton's firm agree should also be prepared, and that your two firms cooperate in completing the dismissal of these two suits at your earliest opportunity.

It would be my understanding that it is proper for us to await word from you that the Court has accepted these documents dismissing these two suits prior to my instructing our Company to submit payment in accordance with Paragraph 2 of the Contract of Settlement. We are prepared to submit a check through these same channels as soon as dismissal is completed. This should undoubtedly be prior to the 15 days from execution in which Mr. Morgan's letter to Mr. Brown suggested the payment be made.

DI(BROWN)-45

Mr. Shapiro -2- November 19, 1963

To confirm our discussion regarding USG's amendment of the Settlement Agreement, it is my understanding that Colon Brown phoned Graham Morgan and asked why it was they had deleted from the Contract as we proposed it the phrase which would have prevented their ever suing us for infringement of corresponding foreign patents. It is my further understanding that Mr. Morgan said he was unaware that this change had been made and that if we wished, we could write in what had been deleted and he would accept it. Mr. Brown then stated that if there was nothing intended by the deletion, we would not make any further of the point. Accordingly, the Contract was executed by Mr. Brown in the form as received executed by USG.

I shall be anxious to hear when the official dismissal is completed.

Very truly yours,

NATIONAL GYPSUM COMPANY

R. F. House
Patent Counsel

RFH:da
Encs.

DI(BROWN)-48

D. D. Tinker — U.S.G. Vs. N.G.C. - Book's Tape — August 27, 1971 Chairman's Office

on W. M. Hark

DX Brown 48

The subject was discussed with Mr. Graham Morgan of U.S.G. by the writer on the afternoon of August 26th.

The purpose of the discussion was ....

1. To advise U.S.G.'s representative of N.G.C.'s willingness to settle the subject suit by N.G.C.'s payment of an amount equal to what royalty payments would have been had a license been issued to National beginning with the date of the patent, plus interest from the same date, and to state our desire to continue from the current date to the expiration date of the patent to produce and sell Spark Perforated Tape under an appropriate royalty arrangement.

The subject was only briefly discussed. U.S.G. was advised of N.G.C.'s interest as above stated. Mr. Morgan advised that such settlement proposal was not acceptable and countered with the suggestion that National pay an amount equivalent to either .....

A. All profits made by National in the manufacture and sale of Spark Tape during the period covered by their patents; or

B. An amount equal to their legal fees in defending the case of U.S.G. vs. N.G.C.

Although not stated, it is presumed that in the latter alternative royalty payments would be expected over and above the legal fees.

Mr. Morgan also advised that a license for the sale of Tape under their patent for the balance of the patent period would not be made available to us unless an acceptable settlement (presumed to be either through negotiation or legal proceedings) has been consummated.

NG-B-6

DX(BROWN)-48

U.S.G. Vs. N.G.C. - Spark Tape
August 17, 1971
Page 2

It is suggested that a meeting be arranged as quickly as possible to involve you, W. M. North, J. P. Hayes, R. F. Emens, and myself for the purpose of reaching decisions concerning our future action in this matter.

OCLON BROWN

by

NG-B-7

DX(BROWN)-49

NATIONAL GYPSUM COMPANY

BUFFALO, NEW YORK

DX [illegible] 49

OCLON BROWN
[illegible] OF THE BOARD

August 23, 1971

RECEIVED RESEARCH

AUG 24 1971

PATENT DEPARTMENT

Mr. Graham Morgan, Chairman
UNITED STATES GYPSUM COMPANY
101 S. Wacker Drive
Chicago, Illinois 60606

Dear Graham:

I appreciated your having made time available to discuss the Spark Tape matter when I was recently in Chicago.

I want to briefly confirm our discussion as I understood it. Should you detect need for clarification, I would be pleased to have your comments in the interest of avoiding any misunderstanding.

We recognize that the Courts, to this date, have determined that National Gypsum Company is liable for damages in connection with the long-standing question regarding our Company's sale of Spark Tape.

Presuming no reversal of the Court's finding to date, it was suggested that the extent of damages be an amount equal to full royalties which would have been paid had your company licensed ours during the period of your patent and for our sale of Spark Tape during this period, plus reasonable interest on such amount.

We stated our desire to continue to manufacture and sell Spark Tape under your patent and requested that you put us in a position to do so through the issuance of your regular license agreement as granted to others.

My understanding of your position is summarized as follows:

— That the temporary license to our Company, expiring on September 1, 1971, will not be renewed and a new license will not be granted unless a settlement of the litigation has been consummated.

DI(BROWN)-69

— That the measure of damages to be assessed against National in an acceptable settlement to your company would be based upon profits which have accrued to our Company as a result of the sale of Spark Tape for the period in question.

— Or, as an alternative —

— That the amount of damages be the equivalent of your actual legal costs and expenses incurred in the litigation (while not clearly stated, it was assumed that an additional amount be paid equal to royalties due from National's sales of Spark Tape to date).

It was concluded that suggestions made by ourselves were unacceptable to you, and your company's suggestions were unacceptible to us.

Graham, I want to confirm my stated disappointment about our failure to reach a mutually agreeable settlement. We continue to believe that your recovery of royalties with interest is fair and equitable to all concerned now that the Court has made its finding in favor of your company.

We further feel that notwithstanding the question on extent of damages, that an appropriate license should be granted by your company as necessary to our continued production and sale of Spark Tape subsequent to September 1st of this year.

Sincerely yours,

Colon Brown

cye

DI(BROWN)-69

DX Record 550

United States Gypsum Company

101 South Wacker Drive, Chicago 60606

August 27, 1971

RECEIVED
SEP 3 1971

Mr. Colon Brown, Chairman
National Gypsum Company
325 Delaware Avenue
Buffalo, New York

Dear Colon:

I was in the process of writing you when your letter of August 23 arrived. Your summary of our discussion conformed with my understanding.

I share your disappointment that we did not reach a mutually agreeable formula for settlement, or at least establish a basis for further exploration. I am sure that you are as dismayed as I have been at the high cost of this litigation. It was for this reason that I made two or three trips to Buffalo, as you will recall, in an effort to settle the litigation while it was in progress. It was because you found my previous offers unacceptable that we were forced to incur the additional costs of pursuing the litigation to the successful point at which it now stands. I simply cannot accept your suggestion that a settlement now on the basis of our established royalty rate is fair and equitable. The effect of your proposal would leave your company with a substantial profit on its infringing operations, while our company, owner of the patent which the courts have found valid and infringed, would have to pocket a very large loss. This does not seem reasonable to me, as a businessman, and our patent attorneys advise that they cannot conceive of any court reaching such a conclusion.

Moreover, I am certain that my Board of Directors, which has been kept fully informed of this litigation as it progressed, would not accept a settlement on that basis in light of these past circumstances and the advice of our patent attorneys as to the damages which we expect to recover by judgment when the accounting proceedings before the Special Master are carried out. Actually, our patent attorneys assure us that

DX(BROWN)-50

Mr. Colon Brown, Chairman - 2 - 8/27/71

we are entitled to recover damages, not only measured by National's profits on its infringing sales, together with interest, but special damages as may be proved (e.g., on account of our inability to secure other licensees during a major part of the life of the patent because of National's attacks on the patent), together with court costs for the entire case, including the Special Master's fees and other necessary expenses for the prospective accounting proceedings.

While certainly there is always room for compromising litigation, at least up until a final judgment is entered, both of the alternatives which I proposed offered you significant savings over your maximum exposure if the case is pursued to a final judgment, or at least such was my intention based on the facts which I have been furnished. We are at a handicap, of course, in not having available to us as yet the details of National's sales.

This litigation, which both of us inherited, was commenced because of an apparent honest difference of opinion based upon legal advice which each received. We believed, and the court has now confirmed, that we had a property right in this patent. It has never been our intention to foreclose production of Spark Tape by others, but only to realize a fair return on our property rights in this patent. I have tried to take a reasonable view, even at this point in time, to bring this matter to a conclusion by settlement without the necessity of further legal expenses being incurred by anyone. However, I am strongly of the opinion, particularly in the light of my several approaches to National to settle during the litigation, that if settlement is out of the question and we are forced to incur additional expenses in an accounting proceeding, it is hardly reasonable to expect us to reward National by granting a license permitting continued production.

Your rejection of my alternatives did not seem to leave room for any further discussion. However, I again say that I would like to be reasonable, and if further exploration of the possibility of settlement offers any hope of success, I would be willing to maintain the status quo during such exploration, provided we can proceed promptly. I was disappointed that we did not get into this subject promptly after granting a 60-day temporary license to National.

In any event, if you have any further thoughts or suggestions, I will be happy to hear from you.

Cordially,

UNITED STATES GYPSUM COMPANY

Graham J. Morgan

DX(BROWN)-51

cc: Bob Smith with file

DX Brown 51

September 2, 1971

(Personal & Confidential)

Mr. Graham Morgan, Chairman
UNITED STATES GYPSUM COMPANY
101 S. Wacker Drive
Chicago, Illinois 60606

Dear Graham:

My delay in acknowledging your August 27th letter has occurred as a result of Mr. Snell's telephone call advising of your willingness to a short term extension of the then existing temporary Spark Tape license.

I was anxious to acknowledge your letter and especially to comment on your reference to discussions concerning settlement of the Tape suit.

I do hope that I may gain your concurrence that, in fact, my office had repeatedly urged settlement of the suit as a part of conditions to settlement of other patent cases then in litigation.

Such interest was expressed at our first meeting with you, Mr. Shaver and others in January 1966 and continued until my discussion with you at the Buffalo Airport which, I believe, occurred in 1967.

The basis of your decision to continue litigation related to the then current status of Court proceedings regarding the Tape suit that indicated to you that settlement would be inappropriate.

The basis of our later decision to continue litigation related to a contingency arrangement with our attorneys as I explained at our Airport meeting.

NG-B-4

DI(BROWN)-51

Mr. Graham Morgan, Chairman
UNITED STATES GYPSUM COMPANY

September 9, 1971
Page 2

Consistent with our telephone conversation today, our people are considering the advisability of a license arrangement for the balance of the life of the Tape patent and will be advising your Mr. Snell of their conclusions.

I appreciated the opportunity for the friendly discussion about the main point of this memorandum and the spirit of your office as indicated by the suggested license arrangement.

Sincerely yours,

Colon Brown

cpe

NG-B-5

DI(BROWN)-55

W. M. NORTH

cc: R. C. Goerbig
E. J. Kilties
R. F. Hause

April 26, 1972

John F. Hayes

FRANK TAPE SUIT

Agreement has been reached with USG on the Spark Tape Suit. The terms are as follows.

National Gypsum to pay $848,000 to USG as a total final settlement. USG will pay the balance of all outstanding counter loss, damages trial court costs and accounting fees. In reference to the fees from the original infringement trial which have not been computed for or divided (an estimate $10-15,000), there will be an accounting of these and they will be considered wiped out by this full and final total settlement of $848,000 covering the spark tape matters.

By copy of this letter, I am asking R. F. Hause to direct our counsel to draw up the necessary instruments to complete the matter.

JOHN F. HAYES

JFH/vm

RECEIVED RESEARCH
APR 28 1972
PATENT DEPARTMENT

DX(BROWN)-57

DX(Brown) 57

RETYPED FOR LEGIBILITY

P.A. HANSEN — U.S.G. Patent Law Suits — June 29,1965 Chairman's Office

I advised yo. of having been contacted by Graham Morgan who suggested a relatively early meeting to discuss several matters including the subject. It will be necessary that we crystalise our thinking regarding the law suits in preparation for our discussion with Mr. Morgan.

There is a basic agreement to an arbitration program. There is not yet an agreement on the mechanics of such a program.

We also considered the suggestion for each company permitting the other to any uses under patents without license costs.

Neither company is currently pursuing the existing patent suits and will not do so until such time as we have discussed the entire subject and have reached some basic decisions as to procedures agreeable to both parties for handling patent questions. This decision will have a bearing on what will be done in connection with the existing law suits.

It is therefore important that we determine a position considered to be in the best interest of our company and fair to both parties, then have our discussion with Morgan when we will reach conclusions and agreements, if possible, on the entire subject. Subsequent action on the part of both regarding present and future patents will be determined by our conclusions and the extent of any agreements reached in our discussions.

Colon Brown

CB:bb

DX(BROWN)-57

DX Brown 57

P. A. Hansen — U.S.G. Patent Law Suits — June 29, 1965 Chairman's Office

I advised you of having been contacted by Graham Morgan who suggested a relatively early meeting to discuss several matters including the subject. It will be necessary that we crystalise our thinking regarding the law suits in preparation for our discussion with Mr. Morgan.

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It is therefore important that we determine a position considered to be in the best interest of our company and fair to both parties, then have our discussion with Morgan when we will reach conclusions and agreements, if possible, on the entire subject. Subsequent action on the part of both regarding present and future patents will be determined by our conclusions and the extent of any agreements reached in our discussions.

Colon Brown

CB:bb

BEST COPY AVAILABLE

CHANGES IN
PUBLISHED BULLETIN PRICES FOR 1/2" USG "SHEETROCK"
FOR PITTSBURGH, PENNSYLVANIA - 1962-1973

USG F.O.B. Bulletin Price Per MSF
(Plus Freight Charge) As of January 1962. . . . $49.00
As of August 1963
to May 1965. . . . . $49.47

Bulletin Price Effective Date	Some Delivered Carload Price Per MSF
6/ 1/65	$44.00
7/ 1/65	43.00
5/ 1/66	44.00
2/20/67	46.00
5/15/67	44.00
10/ 1/67	47.75
9/16/68	49.25
5/ 1/69	53.25
9/ 1/69	57.25
1/12/70	47.00
6/10/70	40.00
10/20/70	38.00
1/ 4/71	41.00
4/ 1/71	43.00
6/ 7/71	45.00
1/31/72	46.00
7/ 1/72	47.00
1/15/73	46.00
2/19/73	48.00

Net Change 1962-1973: $-1.00

D.C. (2817) 1

DJI-1

DEFENDANTS' JOINT EXHIBIT 1

BIOGRAPHICAL INFORMATION — DR. RICHARD M. CYERT

President, Carnegie-Mellon University, effective July 1, 1972

Office: Carnegie-Mellon University, Pittsburgh, Pennsylvania 15213 —
(412) 621-2600, extensions 200, 201, 202

Personal

Home Address: 35 Chapel Ridge Rd., Pittsburgh, Pa. 15238 — (412) 963-9177

Born: Vienna, Va. — July 22, 1921 Married: Margaret Shadick — September 8,194[illegible]

Children: Lynn Cyert Aikin, Lucinda Cyert Stafford, Martha Sue

Education

B.S., 1943, University of Minnesota, Minneapolis, Mn.
Ph.D., 1951, Columbia University, New York, New York

Academic Specialty: Economics, behavioral [illegible]

Career Summary

1972-	President, Carnegie-Mellon University
1962-72	Dean, Graduate School of Industrial Administration, Carnegie-Mellon University
1960-62	Professor of Economics and Industrial Administration Carnegie-Mellon University
1955-60	Associate Professor of Economics and Industrial Administration, and Head, Industrial Management Department, Carnegie-Mellon University
1949-55	Assistant Professor of Economics and Industrial Administration, Carnegie-Mellon University
1948-49	Instructor of Economics, Carnegie-Mellon University
July-Sept., 1948	Instructor, University of Minnesota
Jan.-June, 1948	Instructor, City University of New York, New York City
July-Sept., 1946	Instructor, University of Minnesota
1943-46	Officer, United States Navy

Honorary Societies

Phi Beta Kappa

Beta Gamma Sigma

Awards

Ford Foundation Faculty Research Fellowship, 1959-60
John Guggenheim Memorial Foundation Fellowship, 1967-68
Honorary Degree, University of Gothenburg, October 1972 (Sweden)
Honorary Degree, University of Louvain, June 1973 (Belgium)
Medal from Hofstra University, November 1973
Fellow of the American Statistical Association, December 1973

Professional Activities

Past President	-	The Institute of Management Sciences
Director	-	Keppers Company, Inc.
Scientific Director	-	European Institute for Advanced Studies in Management
Member	-	Advisory Council, International Institute of Management
Member	-	Board of Editors, Behavioral Science
Director	-	Scholastic Magazines, Inc.
Director	-	Regional Industrial Development Corporation
Trustee	-	Winchester-Thurston School
Member	-	Citizens' Sponsoring Committee, Allegheny Conference on Community Development
Director	-	Pittsburgh Symphony Society
Director	-	Pittsburgh Chamber Music Society
Director	-	WQED Television Station
Director	-	Copperweld Corporation
Director	-	Lord Corporation
Director	-	Americans for Energy Independence, Inc.

PUBLICATION LIST

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U. S. GOVERNMENT PRINTING OFFICE : 1977 O - 230-966 (Vol. 6)

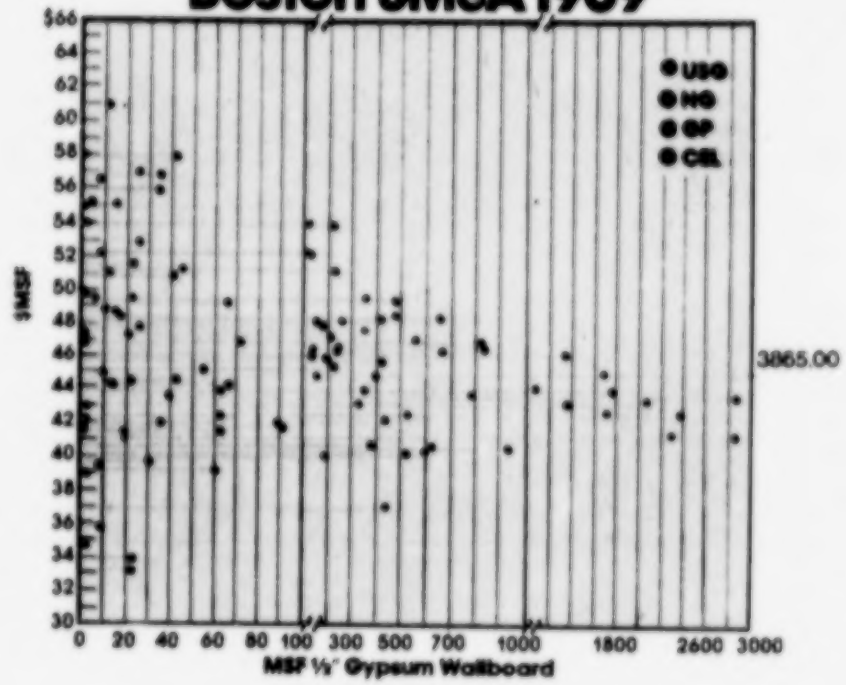
Design of Transaction Study

Quarter	I	II	III	IV
1969	←	1 – 8		→
1970	1,2	3,4	5,6	7,8
1971	7,8	1,2	3,4	5,6
1972	5,6	7,8	1,2	3,4
1973	3,4	5,6	7,8	1,2

SMSA's	Census Region
1. Pittsburgh	– Mid Atlantic Region
2. Denver	– Mountain Region
3. Boston	– New England Region
4. New Orleans	– West South Central Region
5. Anaheim	– Pacific Region
6. Cincinnati	– East North Central Region
7. Minneapolis	– West North Central
8. Tampa	– South Atlantic

DEFENDANTS'
JOINT EXHIBIT 2

Actual Prices and Quantities of ½" Gypsum Board in Boston SMSA 1969



DEFENDANTS' JOINT
EXHIBIT 00612

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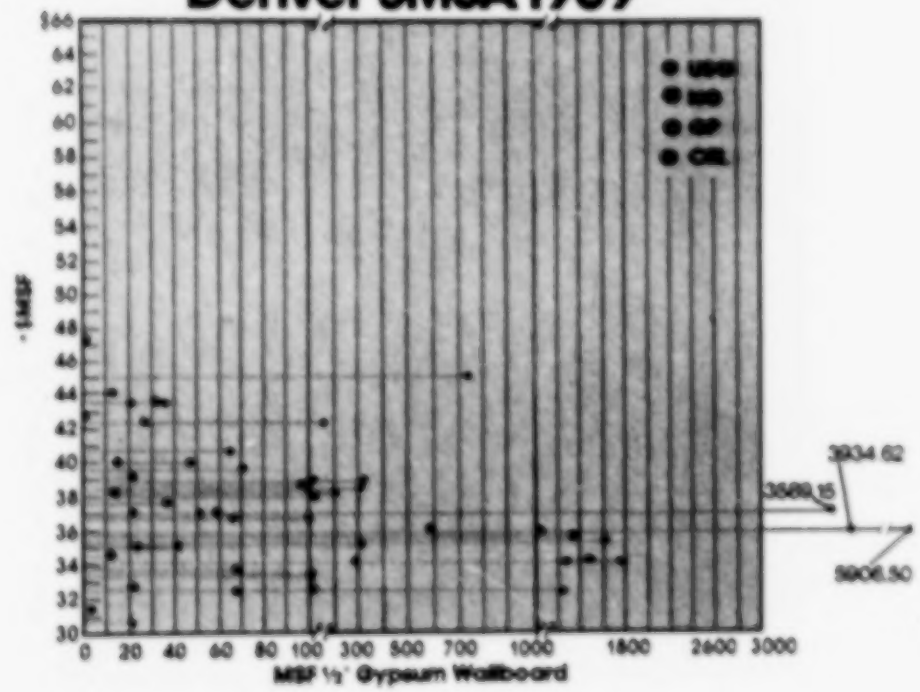

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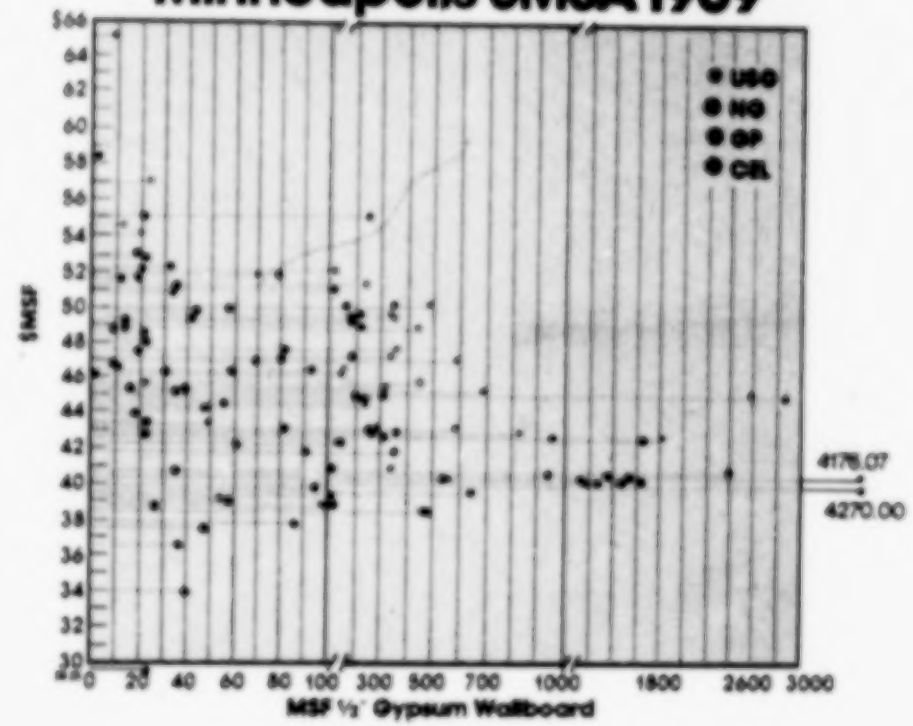
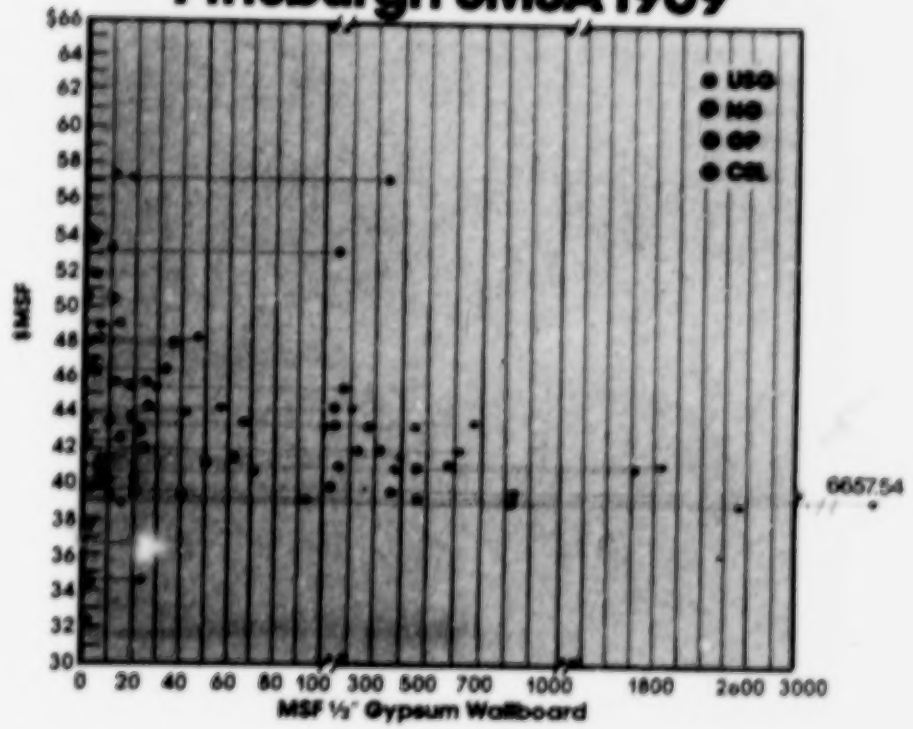
EXHIBIT 00014

Actual Prices and Quantities of ½" Gypsum Board in Minneapolis SMSA 1969



DEFENDANTS' JOINT
EXHIBIT GC016

Actual Prices and Quantities of ½" Gypsum Board in Pittsburgh SMSA 1969



DEFENDANTS' JOINT
EXHIBIT 00018

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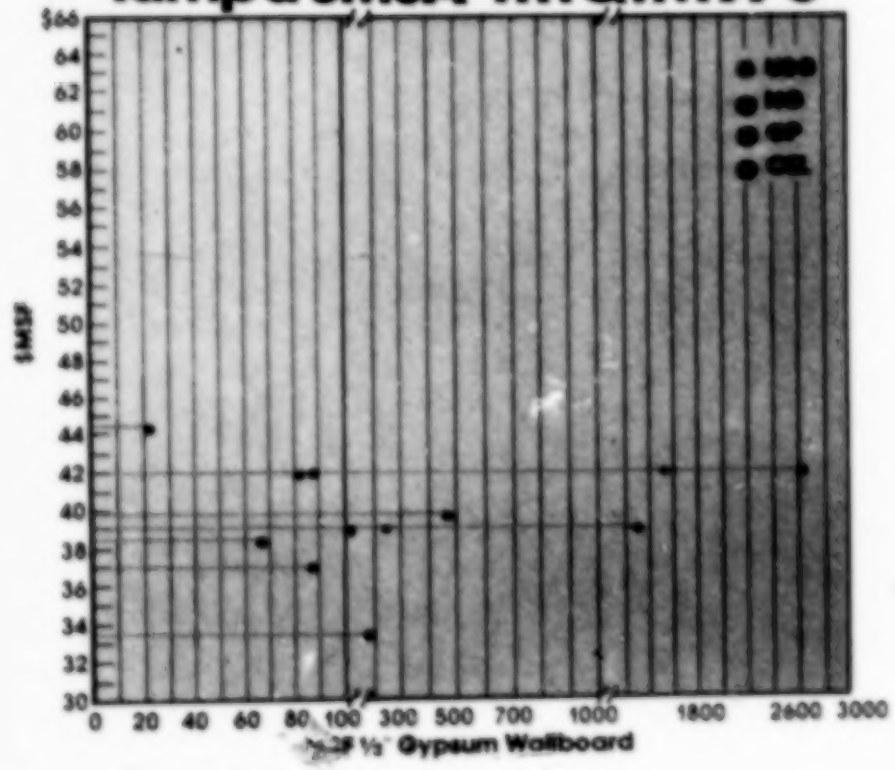
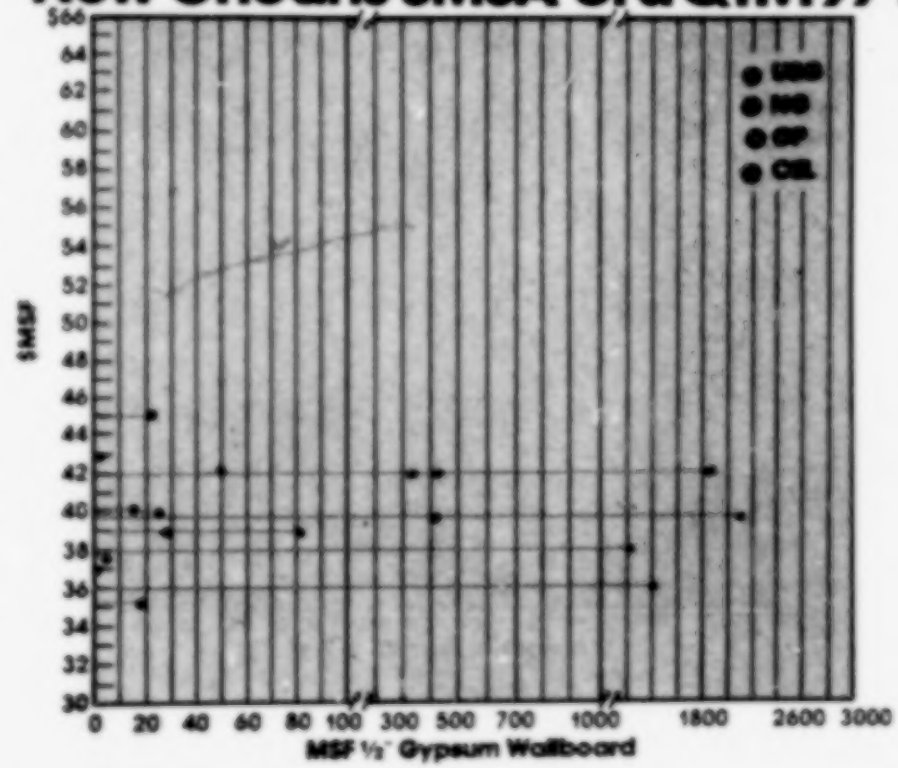


DEFENDANTS' JOINT
EXHIBIT 00020

Actual Prices and Quantities of ½" Gypsum Board in New Orleans SMSA 3rd Qtr. 1971



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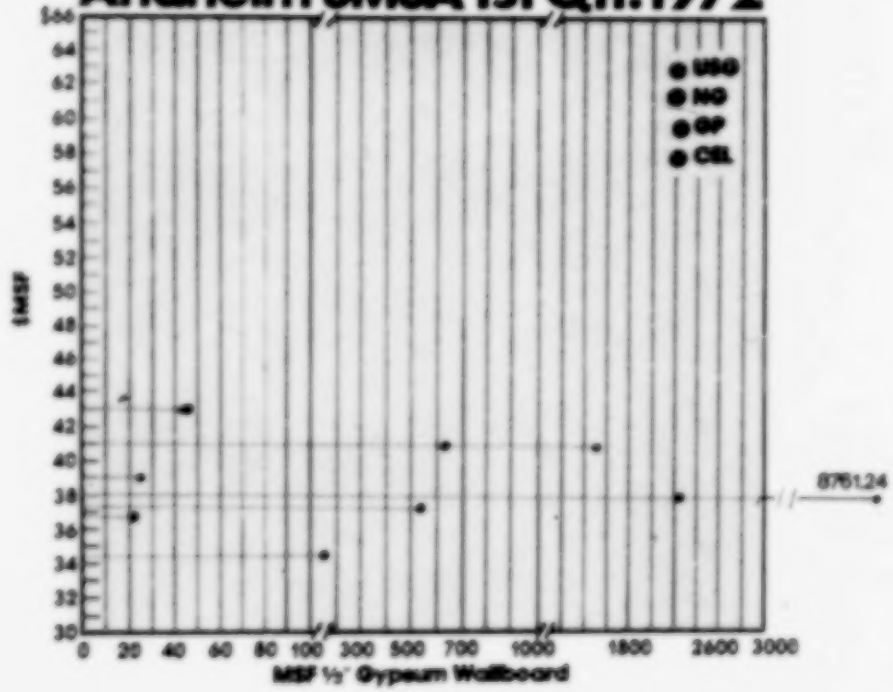

DEFENDANTS JOINT
EXHIBIT 56 (24)

Actual Prices and Quantities of ½" Gypsum Board in Cincinnati SMSA 2nd Qtr. 1973

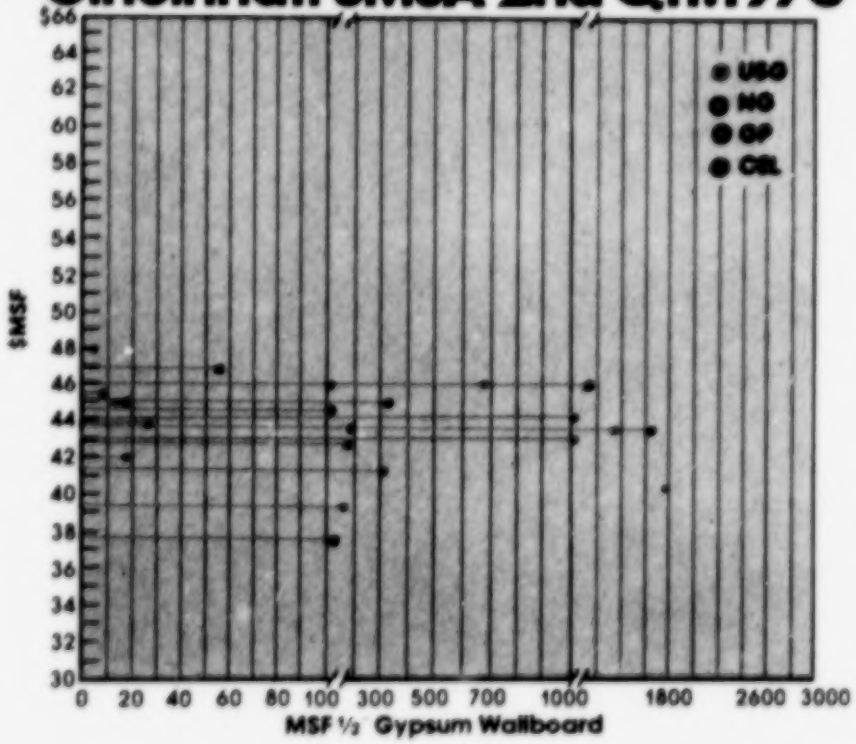

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EXHIBIT 0026

Discounts from List Prices and Quantities of ½" Gypsum Board Boston SMSA 1969

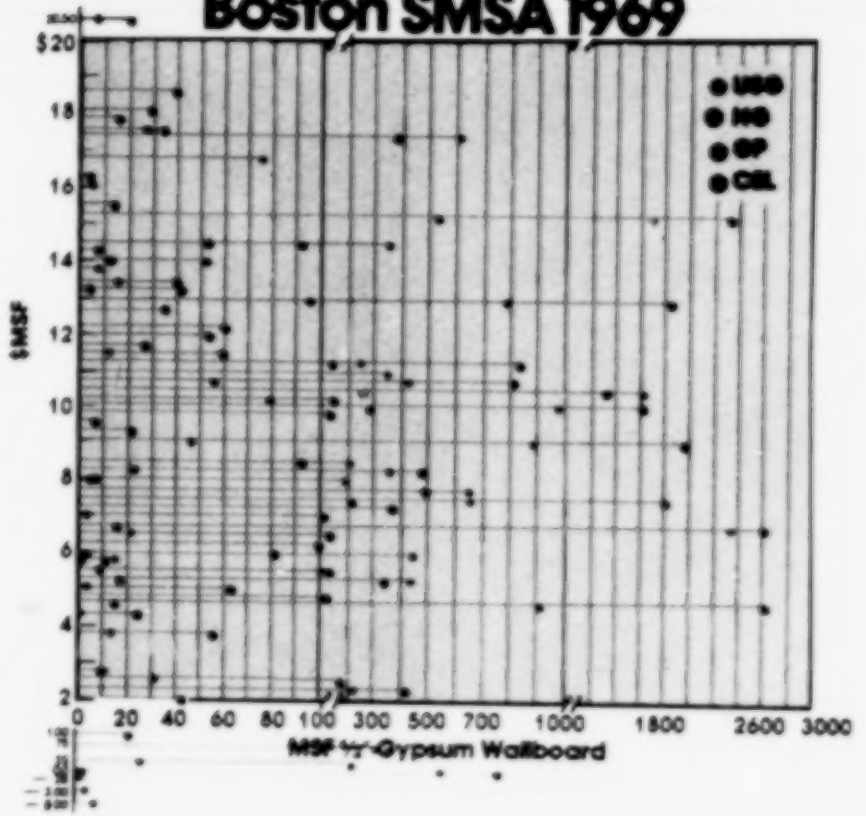

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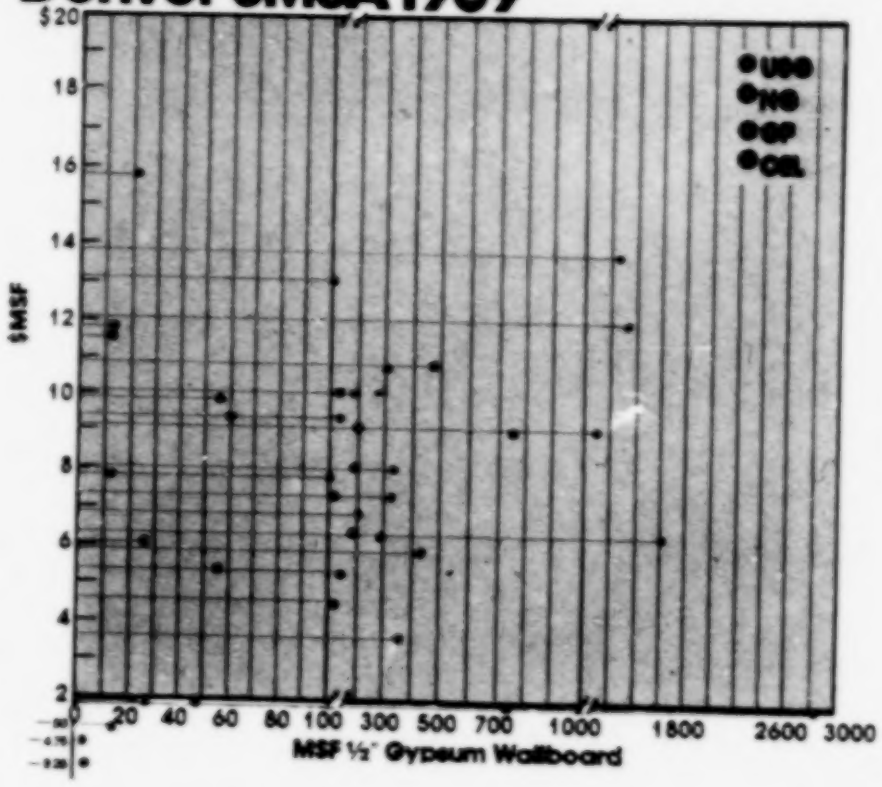
EXHIBIT 00028

Discounts from List Prices and Quantities of ½" Gypsum Board Denver SMSA 1969



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Discounts from List Prices and Quantities of ½" Gypsum Board Minneapolis SMSA 1969

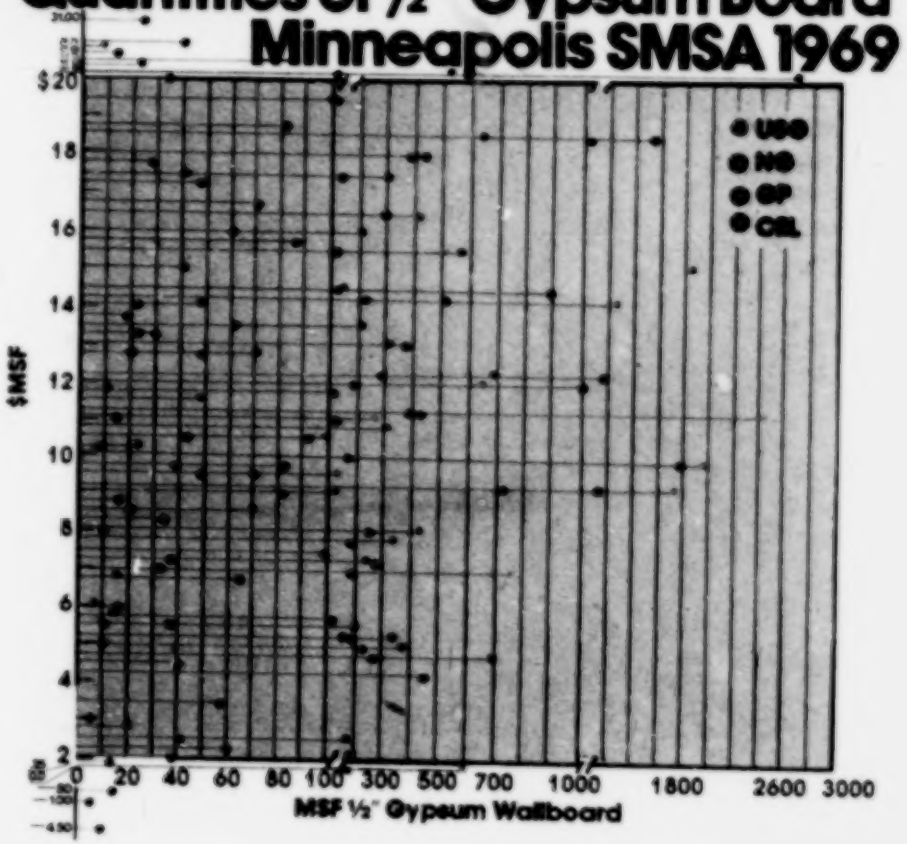

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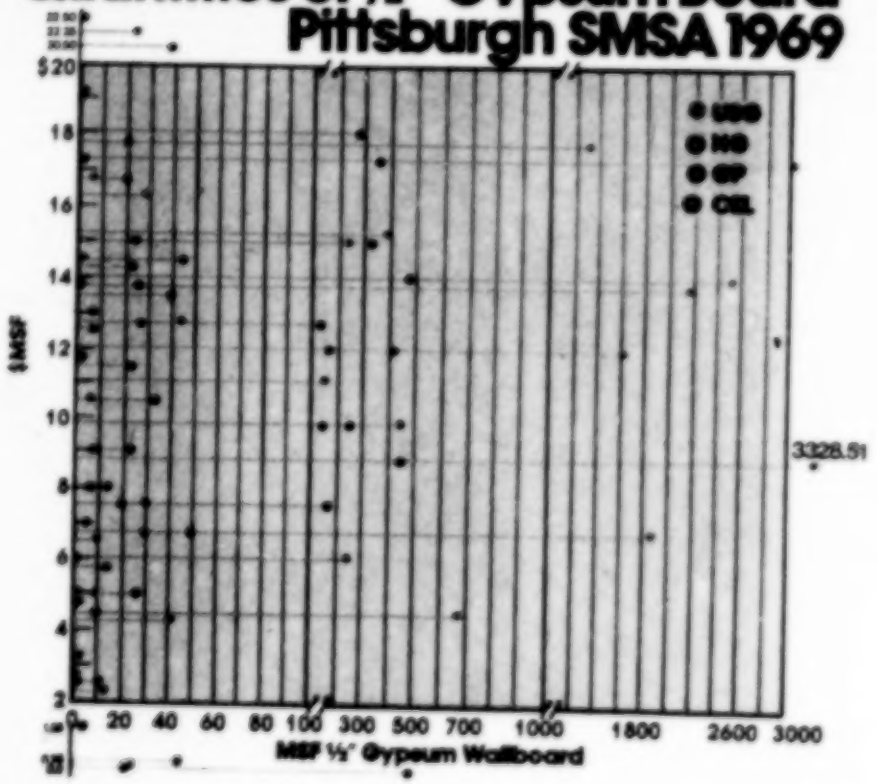
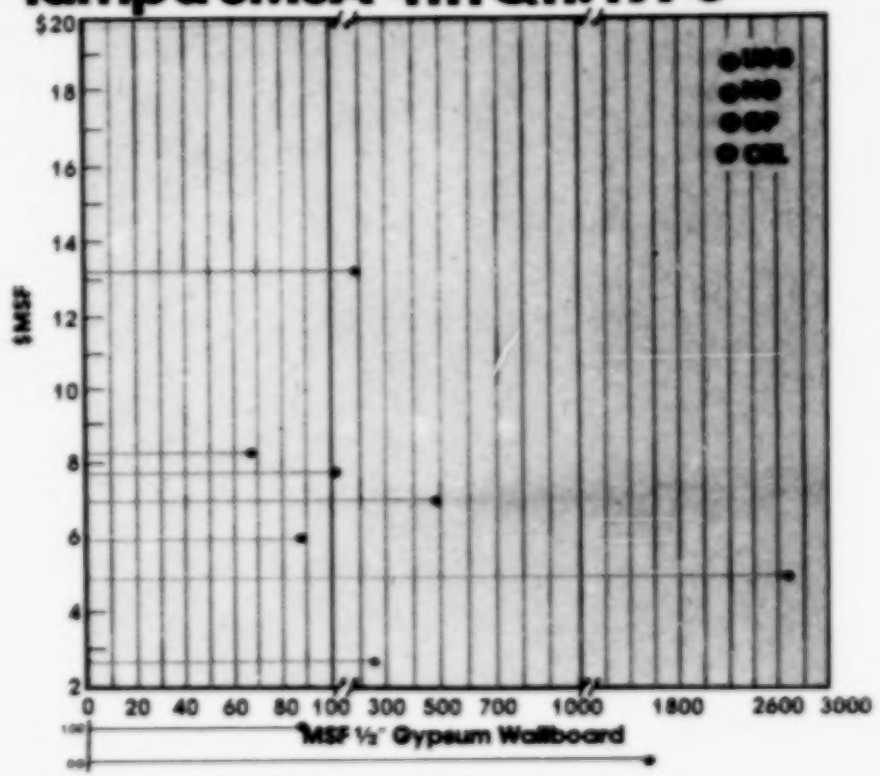
EXHIBIT 00032

Discounts from List Prices and Quantities of ½" Gypsum Board Pittsburgh SMSA 1969



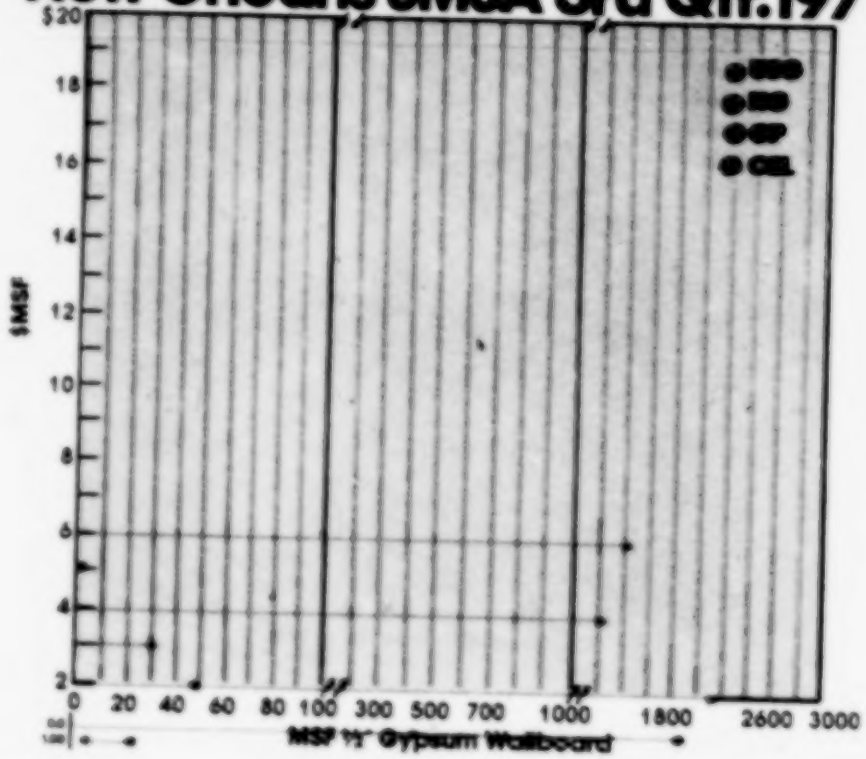
DEFENDANTS JOINT
EXHIBIT 00031

Discounts from List Prices and Quantities of ½" Gypsum Board Tampa SMSA 4th Qtr. 1970



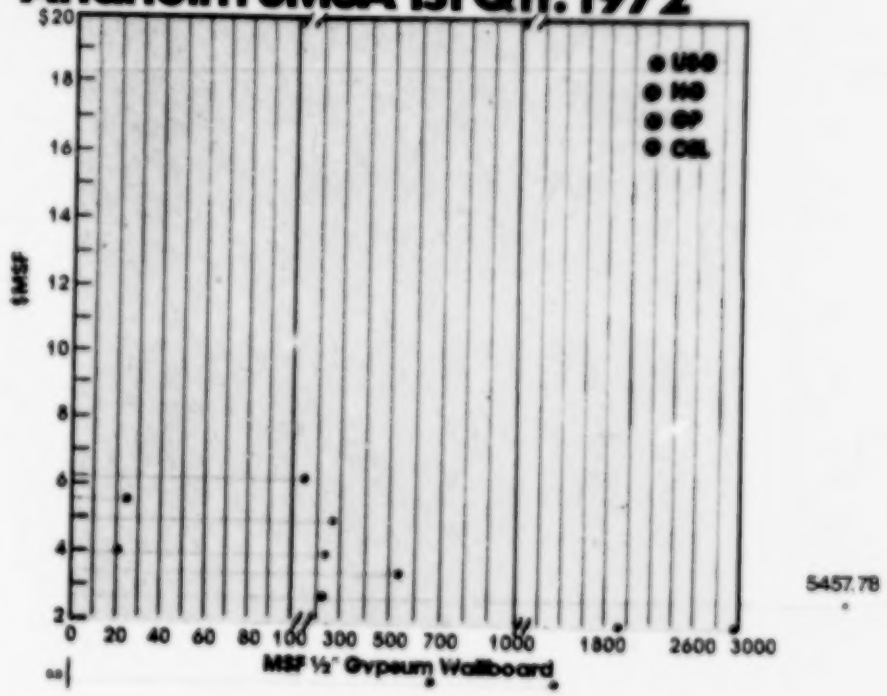
DEFENDANTS' JOINT
EXHIBIT

Discounts from List Prices and Quantities of ½" Gypsum Board New Orleans SMSA 3rd Qtr. 1971



DEFENDANTS' JOINT
EXHIBIT 00038

Discounts from List Prices and Quantities of ½" Gypsum Board Anaheim SMSA 1st Qtr. 1972



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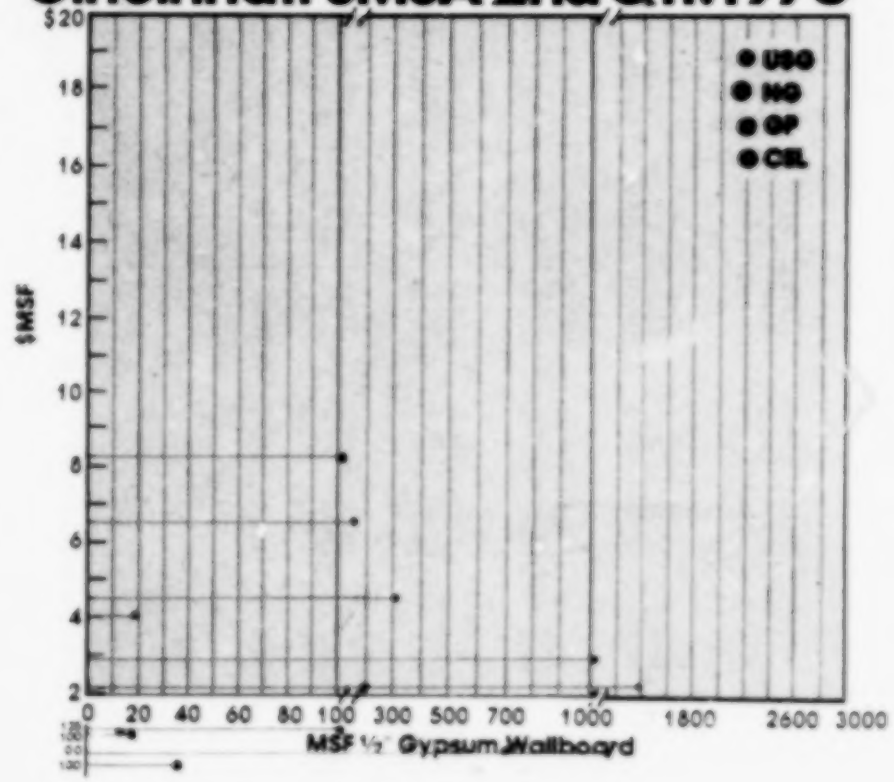
DEFENDANTS' JOINT EXHIBIT 40

Discounts from List Prices and Quantities of ½" Gypsum Board Cincinnati SMSA 2nd Qtr. 1973



DEFENDANTS JOINT
EXHIBIT 00042

6/8/75 DEFENDANTS' JOINT EXHIBIT 43

SALES AND SALES INDEX OF GYPSUM BOARD MACHINE PRODUCTS
1969-73 in thousands of square feet
50 largest SMSA's, by company

INDEX 1971 = 100

		1969		1970		1971		1972		1973	
		MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
1 New York	US Gypsum	128043	88.2	118819	81.8	145233	100.0	157057	108.1	177684	122.3
	National	101701	96.0	106651	100.7	105839	100.0	126719	119.7	136091	128.6
	Celotex	-	-	-	-	29174	100.0	34321	117.6	59040	202.4
2 Los Angeles	US Gypsum	110442	87.0	108382	85.4	126930	100.0	126190	99.4	140395	110.6
	National	47906	105.9	50544	111.8	45225	100.0	62460	138.1	74861	165.5
	Celotex	-	-	-	-	1357	100.0	3178	234.2	2056	151.5
3 Chicago	US Gypsum	193545	108.9	140965	79.3	177751	100.0	187143	105.3	193686	109.0
	National	77179	92.4	66964	80.2	83552	100.0	86226	103.2	81716	97.8
	Celotex	-	-	-	-	40513	100.0	46134	113.9	69151	170.7
4 Philadelphia	US Gypsum	78142	103.9	63123	83.9	75233	100.0	103416	137.5	107504	142.9
	National	47407	129.1	45731	124.6	36712	100.0	24867	67.7	36750	100.1
	Celotex	-	-	-	-	9845	100.0	6015	61.1	9305	94.5
5 Detroit	US Gypsum	64274	98.1	39057	59.6	65542	100.0	73082	111.5	62115	94.8
	National	65378	146.9	48377	108.7	44519	100.0	55965	125.7	71826	161.3
	Celotex	-	-	-	-	21792	100.0	19849	91.1	22979	105.1

		1969		1970		1971		1972		1973	
		MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
6 San Francisco	US Gypsum	45854	84.4	51958	95.6	54335	100.0	72010	132.5	66323	121.1
	National	32908	105.0	26662	85.0	31466	100.0	31328	99.6	28638	91.0
	Celotex	-	-	-	-	6359	100.0	2005	31.5	2008	31.6
7 Washington, D.C.	US Gypsum	60151	96.6	47602	76.4	62286	100.0	73519	118.0	58720	94.3
	National	48539	102.9	51445	109.0	47195	100.0	45989	97.4	60445	128.1
	Celotex	-	-	-	-	5229	100.0	1995	38.2	6347	121.4
8 Boston	US Gypsum	56850	97.4	45324	77.6	58392	100.0	64665	110.7	68783	117.8
	National	70367	88.4	71916	90.3	79605	100.0	98969	124.3	104256	131.0
	Celotex	-	-	-	-	1847	100.0	1330	72.0	2346	127.0
9 Pittsburgh	US Gypsum	37775	113.8	28616	86.2	33191	100.0	43540	131.2	40690	122.6
	National	20269	118.5	18605	108.8	17104	100.0	18983	110.9	32310	188.9
	Celotex	-	-	-	-	3385	100.0	3966	117.2	3455	102.1
10 St. Louis	US Gypsum	23227	92.1	19083	75.7	25221	100.0	23489	93.1	22932	90.9
	National	21374	88.7	22785	94.6	24096	100.0	35801	148.6	31837	132.1
	Celotex	-	-	-	-	16405	100.0	15470	93.2	17459	106.4
11 Baltimore	US Gypsum	39211	94.6	39484	95.4	41410	100.0	39156	94.56	49856	120.4
	National	22600	98.7	18596	81.2	22896	100.0	27219	118.9	35542	155.7
	Celotex	-	-	-	-	188	100.0	397	211.2	5875	2058.5
12 Cleveland	US Gypsum	39029	129.3	27580	91.4	30177	100.0	29404	97.4	29996	99.4
	National	13003	99.7	12162	93.3	13041	100.0	14155	108.5	18155	139.2
	Celotex	-	-	-	-	16084	100.0	23205	144.3	34222	212.8

		1969		1970		1971		1972		1973	
		MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
13 Houston	US Gypsum	62266	84.9	51658	70.4	73367	100.0	93870	128.0	78908	107.6
	National	49534	79.1	43092	68.8	62626	100.0	73965	118.1	63417	101.3
	Celotex	-	-	-	-	20573	100.0	28217	137.2	20486	99.6
14 Newark	US Gypsum	37303	109.9	35466	104.5	33952	100.0	39483	116.3	35749	105.3
	National	11755	90.8	11696	90.3	12950	100.0	14686	113.4	10476	80.9
	Celotex	-	-	-	-	18170	100.0	17043	93.8	24528	135.0
15 Minneapolis	US Gypsum	33075	82.4	28030	69.8	40132	100.0	44779	111.6	51609	128.6
	National	37226	107.8	34200	99.1	34529	100.0	34436	99.7	41624	120.6
	Celotex	-	-	-	-	29043	100.0	32734	112.7	46261	159.3
16 Dallas	US Gypsum	46465	87.2	49737	93.3	53301	100.0	56103	105.3	57737	108.3
	National	13266	103.3	22487	175.2	12837	100.0	18279	142.4	19460	151.3
	Celotex	-	-	-	-	17004	100.0	7302	43.0	10958	64.4
17 Seattle	US Gypsum	32309	227.8	17387	122.6	14181	100.0	13122	92.5	17144	121.0
	National	22442	177.0	12677	100.0	12681	100.0	14479	114.2	14722	116.1
	Celotex	-	-	-	-	19477	100.0	16793	86.2	23531	120.8
18 Anaheim	US Gypsum	63258	99.3	43917	69.0	63697	100.0	74759	117.4	80689	126.7
	National	14723	66.3	24644	111.0	22192	100.0	26672	120.2	41221	185.8
	Celotex	-	-	-	-	NA	100.0	214	-	1289	-
19 Milwaukee	US Gypsum	27429	101.5	21964	81.3	27023	100.0	30774	113.9	32234	119.3
	National	15136	80.6	14581	77.6	18786	100.0	23296	124.0	27864	148.3
	Celotex	-	-	-	-	5568	100.0	10235	183.8	12468	223.9

		1969		1970		1971		1972		1973	
		MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
20 Atlanta	US Gypsum	40126	56.8	58156	82.4	70611	100.0	70214	99.4	71074	100.7
	National	46457	64.1	44526	61.4	72522	100.0	81952	113.0	80733	111.3
	Celotex	-	-	-	-	3477	100.0	3276	94.2	2136	61.4
21 Cincinnati	US Gypsum	22183	63.5	21513	61.6	34926	100.0	37131	106.3	38172	109.3
	National	14687	105.8	11136	80.3	13877	100.0	19994	144.1	12331	88.9
	Celotex	-	-	-	-	4879	100.0	9579	196.3	13432	275.3
22 Paterson, N. J.	US Gypsum	24643	105.6	19695	81.8	23331	100.0	17771	76.2	20154	86.4
	National	11818	52.7	18988	83.9	22619	100.0	28565	126.3	31866	140.9
	Celotex	-	-	-	-	483	100.0	6314	1566.8	12828	3183.1
23 San Diego	US Gypsum	29277	65.5	47817	79.8	59953	100.0	67879	113.2	55425	92.5
	National	14941	98.1	13989	88.1	15764	100.0	32649	207.9	52117	331.9
	Celotex	-	-	-	-	NA	100.0	NA	NA	NA	NA
24 Buffalo	US Gypsum	10824	78.9	11676	85.0	13741	100.0	13187	95.97	20762	151.1
	National	14905	83.5	13465	68.9	17842	100.0	27611	154.75	24645	138.1
	Celotex	-	-	-	-	NA	100.0	NA	NA	NA	NA
25 Miami	US Gypsum	17580	129.1	14853	103.2	13623	100.0	22300	163.0	41715	306.2
	National	18532	95.8	19660	101.7	19339	100.0	29710	153.6	30163	156.0
	Celotex	-	-	-	-	685	100.0	377	62.3	261	43.1
26 Kansas City	US Gypsum	15804	74.0	18867	88.3	21352	100.0	23288	109.1	18496	86.6
	National	15931	63.9	16726	67.1	24924	100.0	28468	114.2	47940	192.3
	Celotex	-	-	-	-	8582	100.0	13782	160.6	10329	120.4

		1969		1970		1971		1972		1973	
		MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
27 Denver	US Gypsum	15462	80.1	17691	91.7	19299	100.0	19346	100.2	23251	120.5
	National	6305	64.8	7058	72.5	9732	100.0	16270	167.2	12727	130.8
	Celotex	-	-	-	-	22323	100.0	34551	154.8	41190	184.5
28 San Bernardino, Calif.	US Gypsum	19090	56.9	26454	78.9	33550	100.0	47395	141.3	46723	139.3
	National	5228	94.4	4878	88.1	5537	100.0	10769	194.5	13427	242.5
	Celotex	-	-	-	-	26	100.0	27	103.9	257	988.5
29 Indianapolis	US Gypsum	39037	145.8	26902	100.5	26766	100.0	34104	127.4	48046	179.5
	National	11899	83.9	15090	106.4	14182	100.0	25867	183.4	14222	100.3
	Celotex	-	-	-	-	15542	100.0	15871	102.1	18493	119.0
30 San Jose	US Gypsum	27862	NA	21395	NA	14451	100.0	13045	90.3	9746	67.4
	National	12563	78.6	18574	116.2	15981	100.0	14030	87.8	12535	78.4
	Celotex	-	-	-	-	2583	100.0	733	28.4	316	12.2
31 New Orleans	US Gypsum	22171	66.0	14499	43.2	33574	100.0	40753	121.4	36920	110.0
	National	12098	52.6	19886	86.4	23006	100.0	23408	101.8	17169	74.6
	Celotex	-	-	-	-	4491	100.0	4759	106.0	2063	45.9
32 Tampa	US Gypsum	15301	65.2	14437	61.5	23476	100.0	39478	168.2	57726	245.9
	National	38980	106.5	35838	97.9	36590	100.0	45952	125.6	49866	136.3
	Celotex	-	-	-	-	7202	100.0	4942	68.6	6620	91.9
33 Portland	US Gypsum	18609	80.0	18068	77.7	23247	100.0	30402	130.8	22990	98.9
	National	14868	82.9	9533	53.2	17927	100.0	8956	50.0	10118	56.4
	Celotex	-	-	-	-	20828	100.0	30311	145.5	33425	160.5

3438
3438

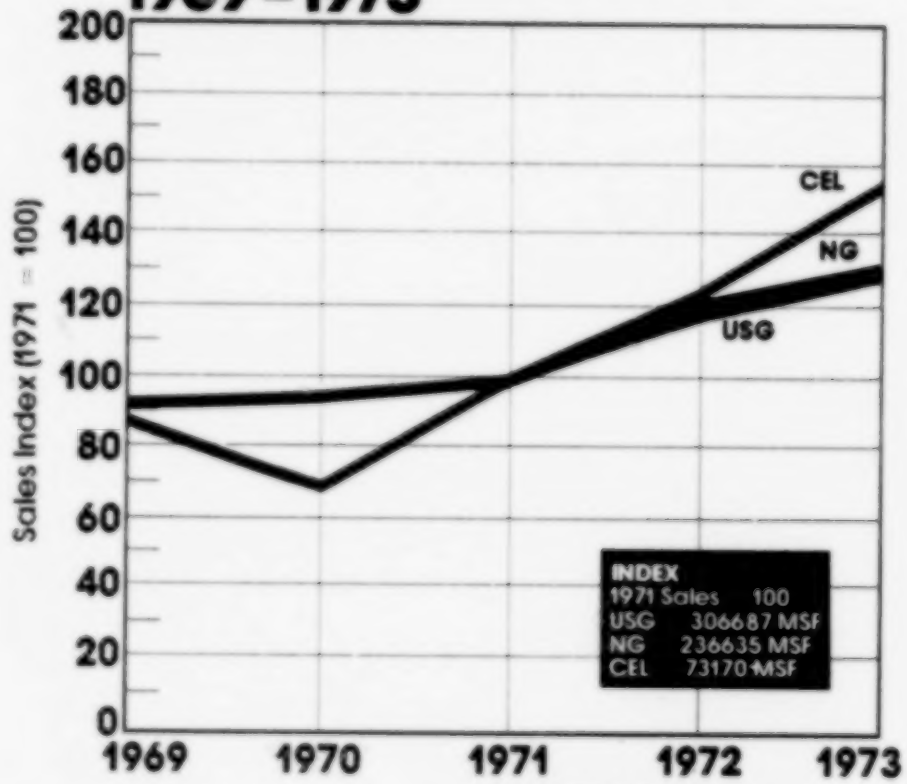
		1969		1970		1971		1972		1973	
		MSP	Index	MSP	Index	MSP	Index	MSP	Index	MSP	Index
34 Phoenix	US Gypsum	25520	45.2	33258	59.0	56417	100.0	63332	112.3	48143	85.3
	National	15017	34.0	24481	55.4	44188	100.0	57635	130.4	62884	142.3
	Celotex	-	-	-	-	203	100.0	135	66.5	NA	NA
35 Columbus	US Gypsum	24224	83.7	20304	70.2	28939	100.0	33579	116.0	42688	147.5
	National	20559	121.4	17725	104.7	16935	100.0	18439	108.9	20641	121.9
	Celotex	-	-	-	-	17388	100.0	32397	186.3	32280	185.7
36 Providence, R. I.	US Gypsum	32450	97.8	31063	93.6	33177	100.0	44304	133.5	46165	139.2
	National	23850	83.1	19568	68.2	28689	100.0	35063	122.2	30685	107.0
	Celotex	-	-	-	-	804	100.0	718	89.3	951	118.3
37 Rochester	US Gypsum	28825	78.1	24906	69.40	35888	100.0	32529	90.6	33404	93.1
	National	6441	64.4	8273	82.7	10003	100.0	12985	129.8	9604	96.0
	Celotex	-	-	-	-	327	100.0	1689	516.5	543	166.1
38 San Antonio	US Gypsum	19518	105.7	15606	84.5	18479	100.0	28336	153.4	26648	144.3
	National	10029	39.7	16475	65.3	25267	100.0	30767	121.9	41053	162.6
	Celotex	-	-	-	-	6463	100.0	7235	111.9	6493	100.5
39 Dayton	US Gypsum	19527	75.7	17073	66.2	25805	100.0	32340	125.3	28107	108.9
	National	6748	57.3	9815	83.4	11776	100.0	13955	118.5	11700	99.4
	Celotex	-	-	-	-	8707	100.0	7952	91.3	7908	90.8
40 Louisville	US Gypsum	23684	76.2	20124	64.8	31069	100.0	38251	123.1	34258	110.2
	National	9178	46.31	10491	52.9	19817	100.0	25256	127.5	22884	115.5
	Celotex	-	-	-	-	4973	100.0	6777	136.3	6004	120.7

		1969		1970		1971		1972		1973	
		MSP	Index	MSP	Index	MSP	Index	MSP	Index	MSP	Index
41 Sacramento	US Gypsum	12083	41.8	7948	27.5	28909	100.0	8879	29.7	17284	59.8
	National	13636	75.4	11985	66.3	18081	100.0	17879	98.9	18956	104.8
	Celotex	-	-	-	-	1124	100.0	805	71.6	60	5.3
42 Memphis	US Gypsum	8033	60.7	6598	49.9	13227	100.0	17227	130.2	15886	120.1
	National	7385	74.9	11154	113.2	9857	100.0	10302	104.5	8892	90.2
	Celotex	-	-	-	-	8603	100.0	14149	164.5	11113	129.2
43 Ft. Worth	US Gypsum	22255	109.2	21573	105.9	20378	100.0	33799	165.9	30209	148.2
	National	14456	154.0	20053	213.7	9386	100.0	13396	142.7	14029	158.0
	Celotex	-	-	-	-	2468	100.0	3243	131.4	692	28.0
44 Birmingham	US Gypsum	7844	90.2	8355	96.4	8697	100.0	9674	111.3	11890	136.7
	National	8285	95.8	7898	91.3	8653	100.0	12653	146.2	10899	126.0
	Celotex	-	-	-	-	1366	100.0	1562	114.4	2233	163.5
45 Albany	US Gypsum	18743	89.3	19318	92.0	20992	100.0	27344	130.3	30218	144.0
	National	10248	73.7	9676	69.6	13913	100.0	18069	129.9	19473	140.0
	Celotex	-	-	-	-	99	100.0	46	46.5	NA	NA
46 Toledo	US Gypsum	15638	92.8	10718	63.6	16846	100.0	19367	115.0	15338	91.1
	National	5694	57.0	6142	61.4	9999	100.0	7454	74.5	5529	55.3
	Celotex	-	-	-	-	1450	100.0	1718	118.5	1787	123.2
47 Norfolk	US Gypsum	26159	82.0	25131	78.8	31897	100.0	42534	133.4	42010	131.7
	National	5852	36.5	10454	65.2	16041	100.0	20607	128.5	17601	109.7
	Celotex	-	-	-	-	1199	100.0	1054	87.9	893	74.5

Page 8

	1969		1970		1971		1972		1973	
	MSF	Index	MSF	Index	MSF	Index	MSF	Index	MSF	Index
48 Akron										
US Gypsum	7314	54.7	6042	45.4	11363	100.0	15360	115.1	21159	158.6
National	11721	239.2	7214	147.2	4901	100.0	10294	210.0	11855	241.9
Celotex	-	-	-	-	6504	100.0	7723	118.7	15495	238.2
49 Hartford										
US Gypsum	28022	82.9	27745	79.2	35029	100.0	39022	111.4	43702	124.8
National	22617	143.8	17225	112.5	15367	100.0	21371	139.6	26044	170.1
Celotex	-	-	-	-	2407	100.0	653	27.1	787	32.7
50 Oklahoma City										
US Gypsum	16174	64.0	17059	67.6	25277	100.0	24639	97.5	21686	85.8
National	7138	71.3	8458	84.7	9981	100.0	16572	165.8	12796	128.1
Celotex	-	-	-	-	3687	100.0	5048	140.0	2370	65.7

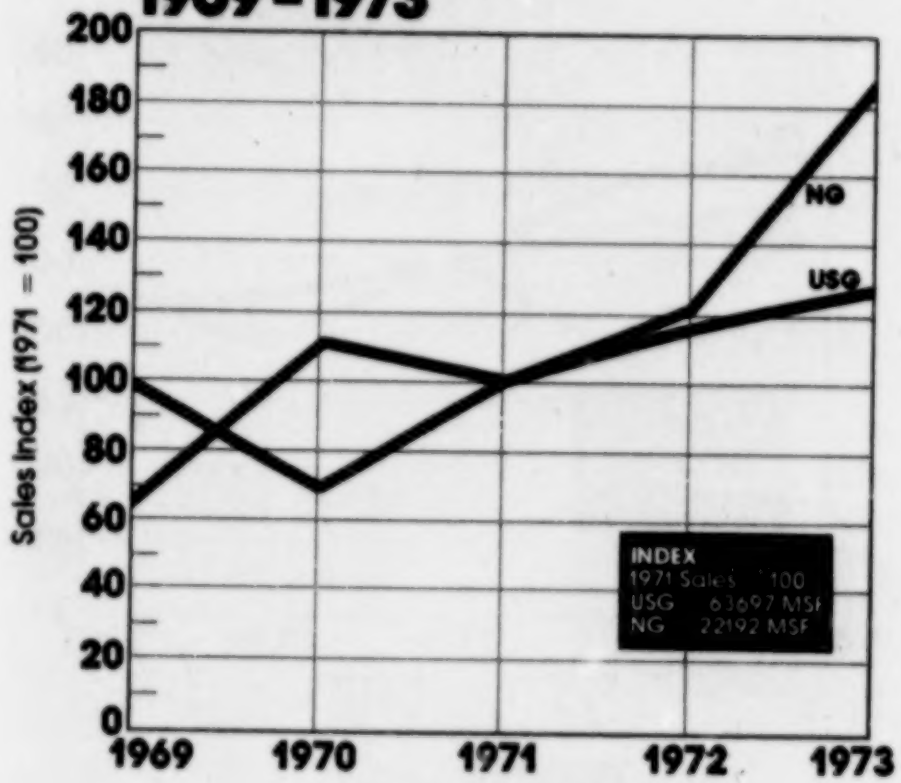
Gypsum Board Sales
8 SMSA's aggregate
1969 - 1973



DEFENDANTS'
JOINT EXHIBIT 45

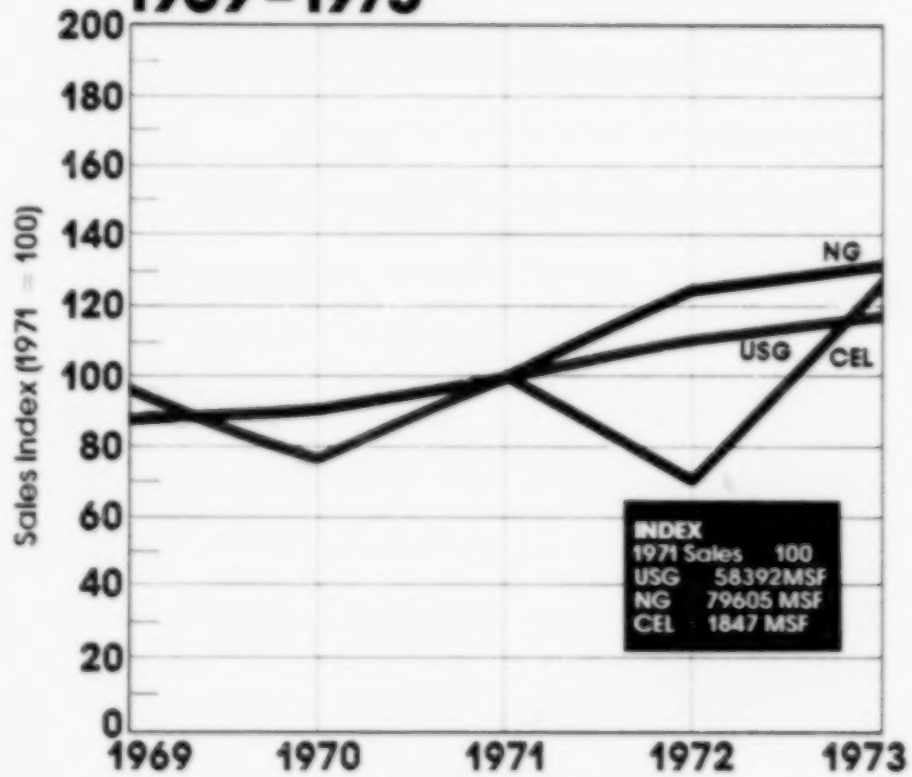
DJX-47

Gypsum Board Sales Anaheim SMSA 1969 - 1973



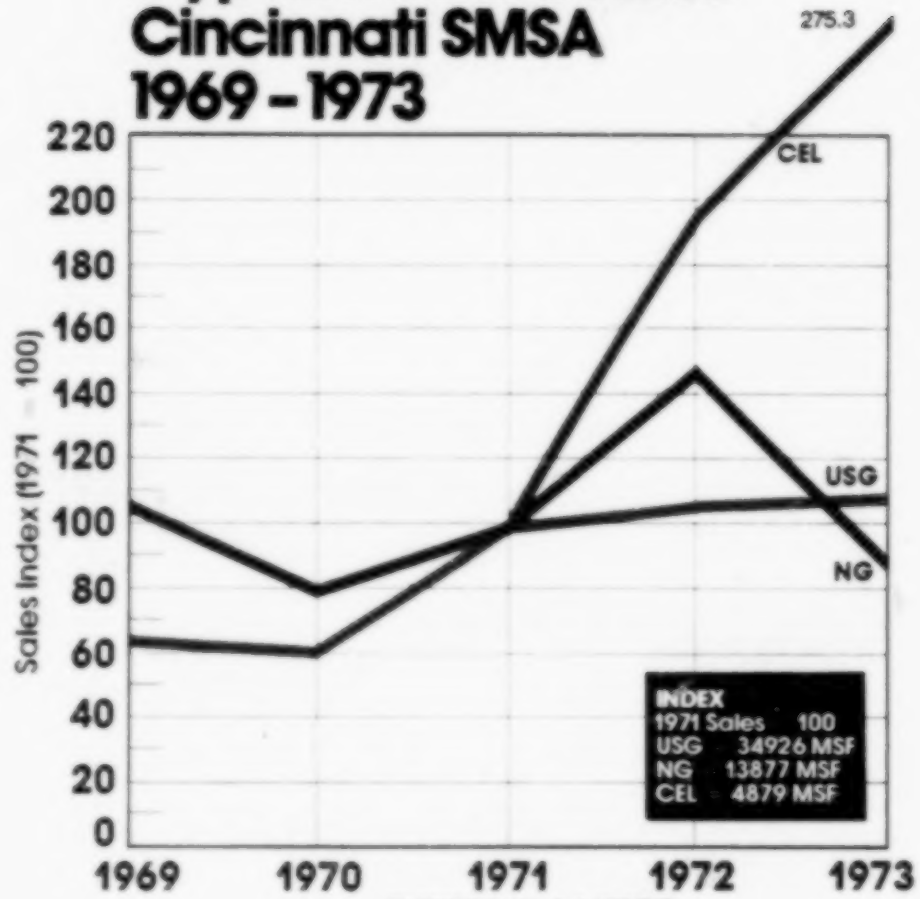
DEFENDANTS'
JOINT EXHIBIT 47

Gypsum Board Sales
Boston SMSA
1969 - 1973



DEFENDANTS'
JOINT EXHIBIT 49

Gypsum Board Sales Cincinnati SMSA 1969 - 1973



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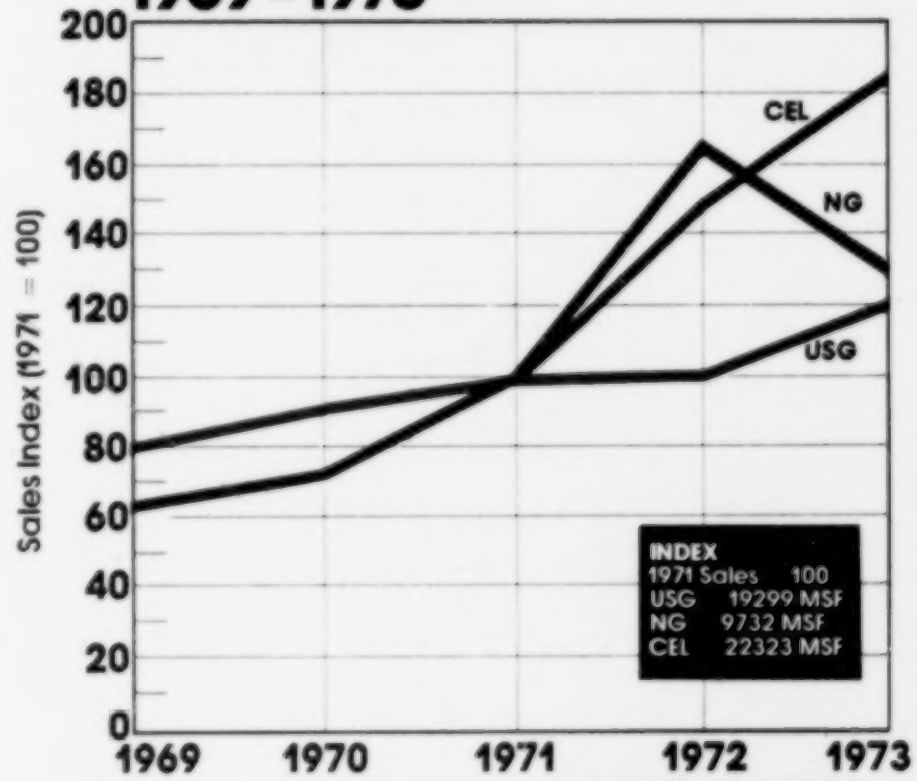
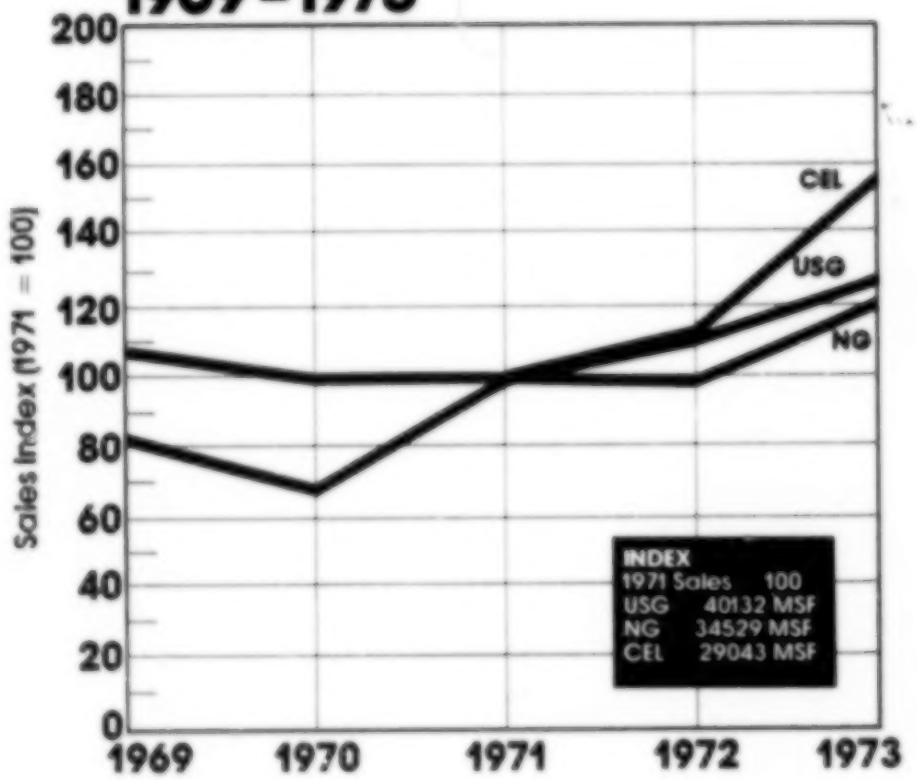
JOINT EXHIBIT 51

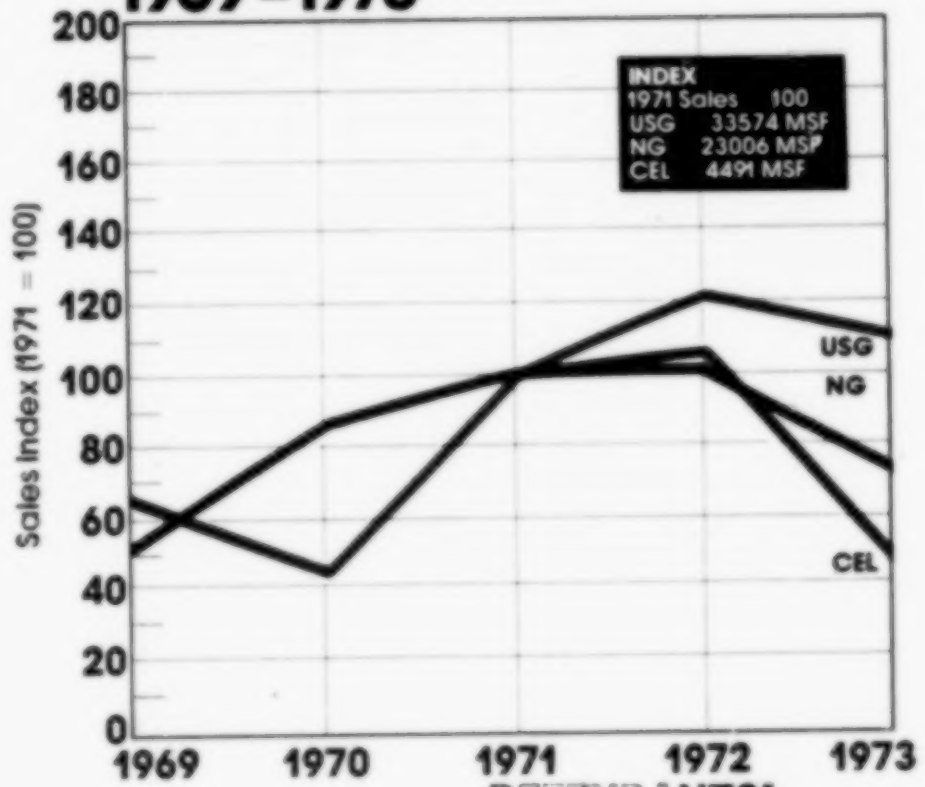
Gypsum Board Sales Denver SMSA 1969 - 1973



DEFENDANTS'
JOINT EXHIBIT 53

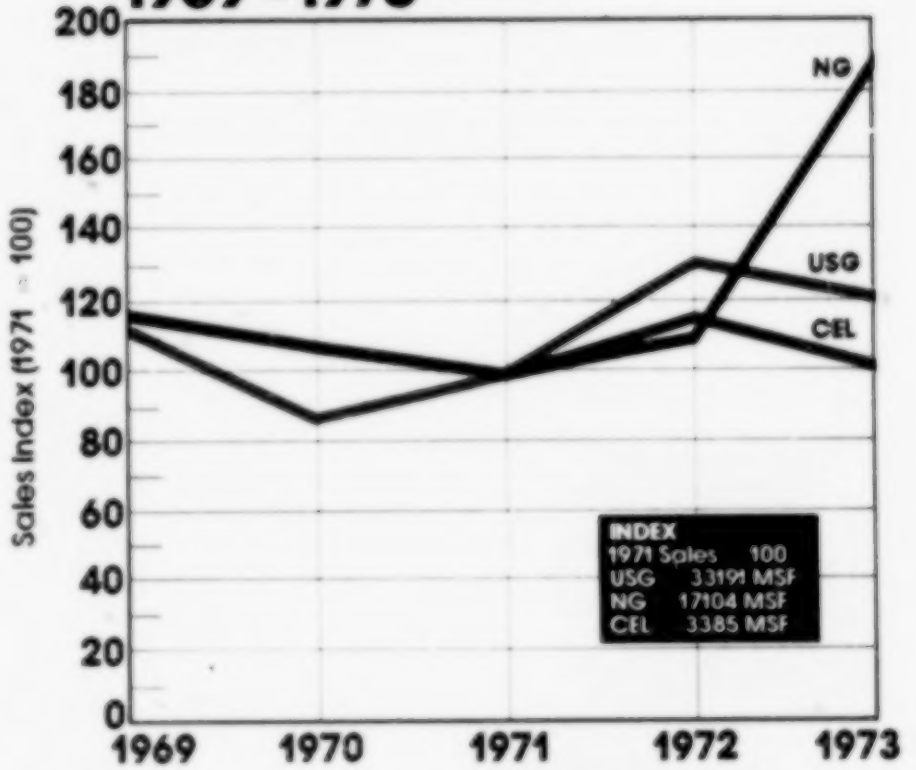

Gypsum Board Sales
Minneapolis SMSA
1969 - 1973
Sales Index (1971 = 100)
200
180
160
140
120
100
80
60
40
20
0
1969
1970
1971
1972
1973
CEL
USG
NG
INDEX
1971 Sales 100
USG 40132 MSF
NG 34529 MSF
CEL 29043 MSF

Gypsum Board Sales New Orleans SMSA 1969 - 1973

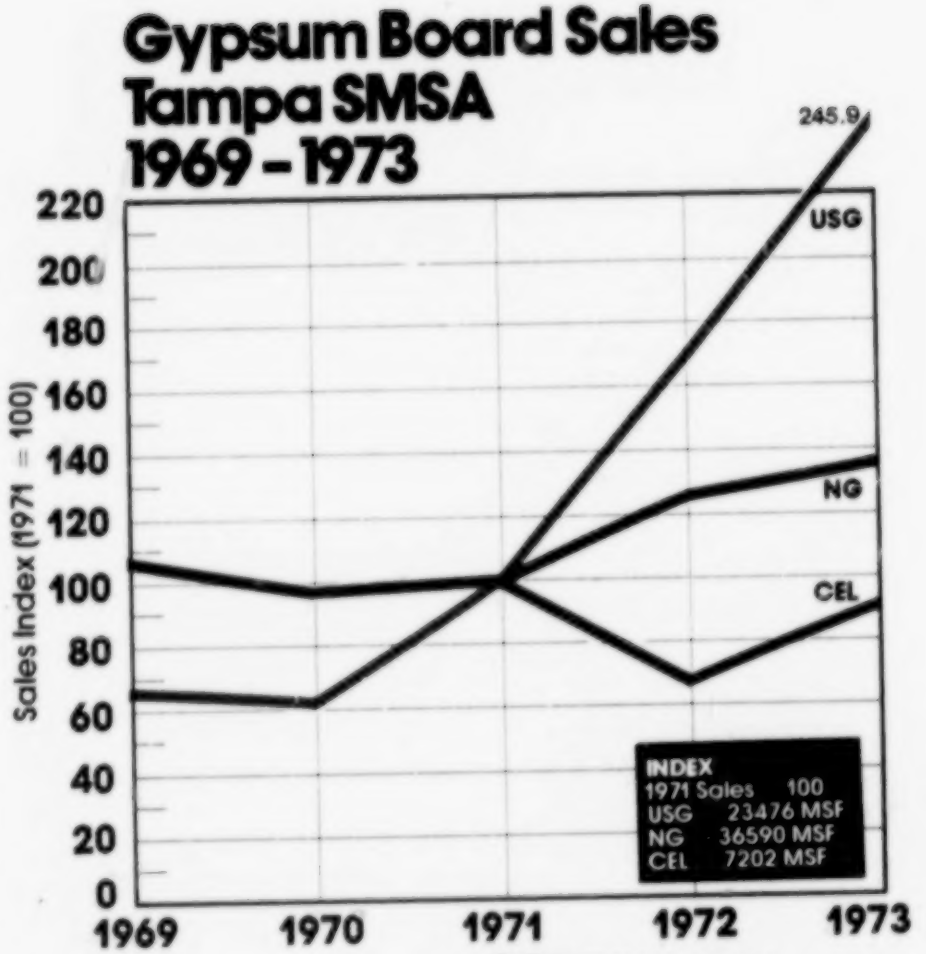


DEFENDANTS'
JOINT EXHIBIT 57

Gypsum Board Sales Pittsburgh SMSA 1969 - 1973



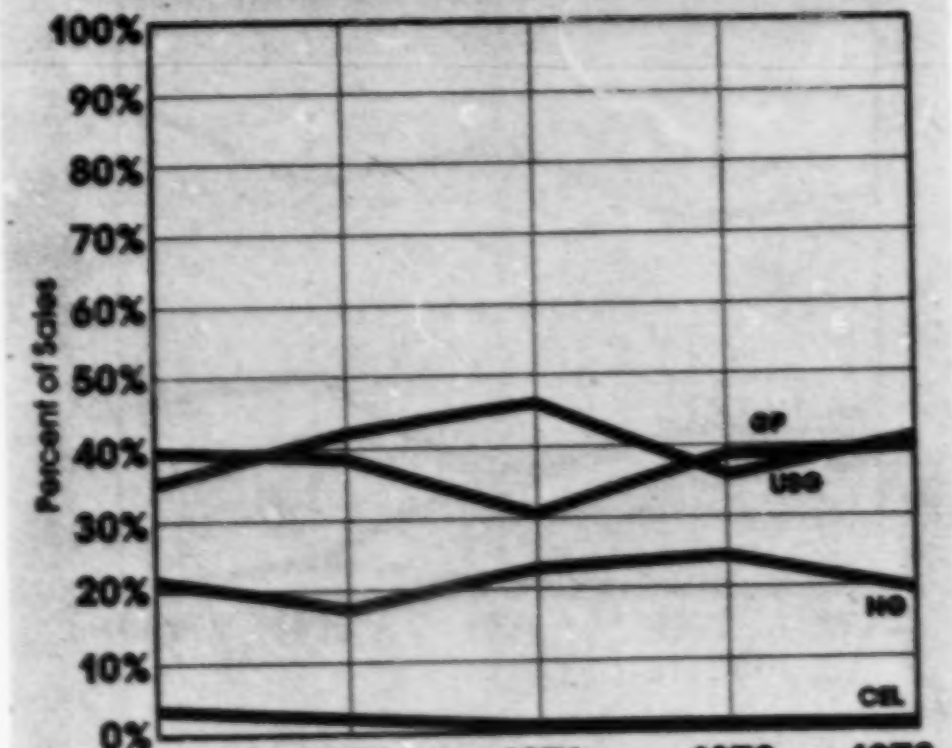
DEFENDANTS'
JOINT EXHIBIT 59



DEFENDANTS'
JOINT EXHIBIT 61

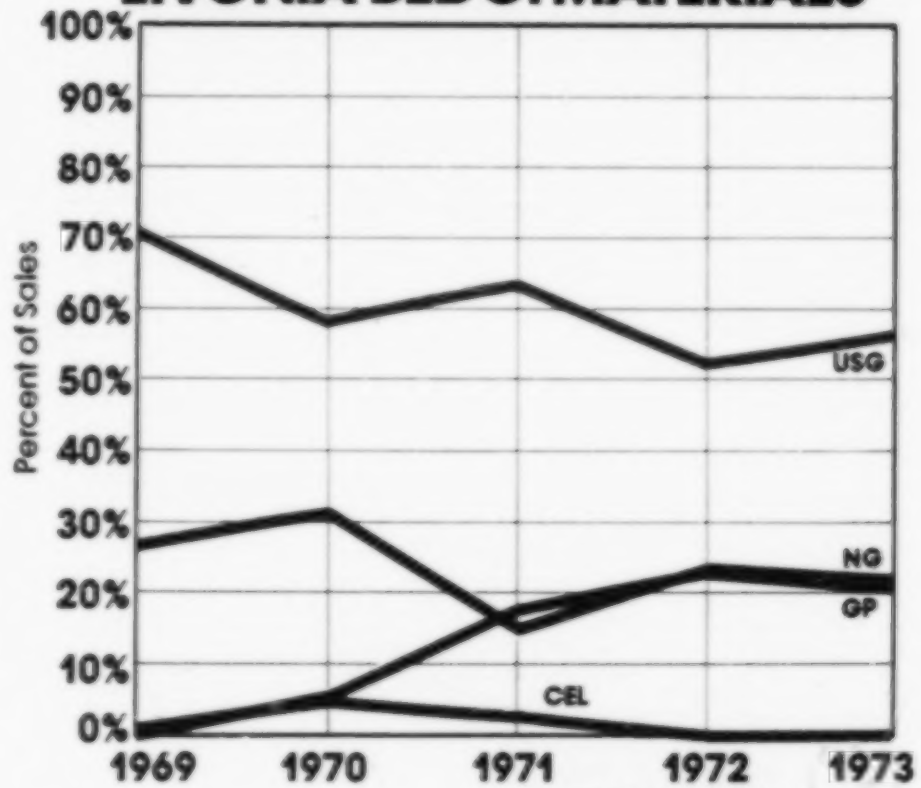
DJX-68

Gypsum Board Sales to Large Customer 1969 - 1973
ADOBE BUILDING MATERIALS



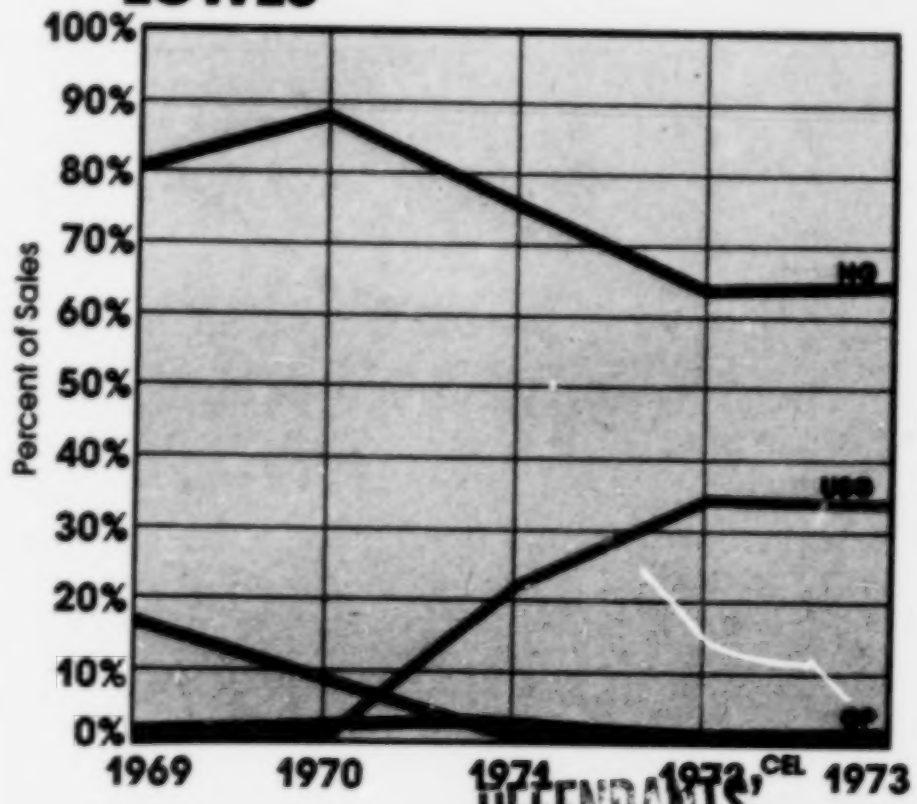
DEFENDANTS'
JOINT EXHIBIT 63

Gypsum Board Sales to Large Customer 1969 – 1973 LIVONIA BLDG. MATERIALS



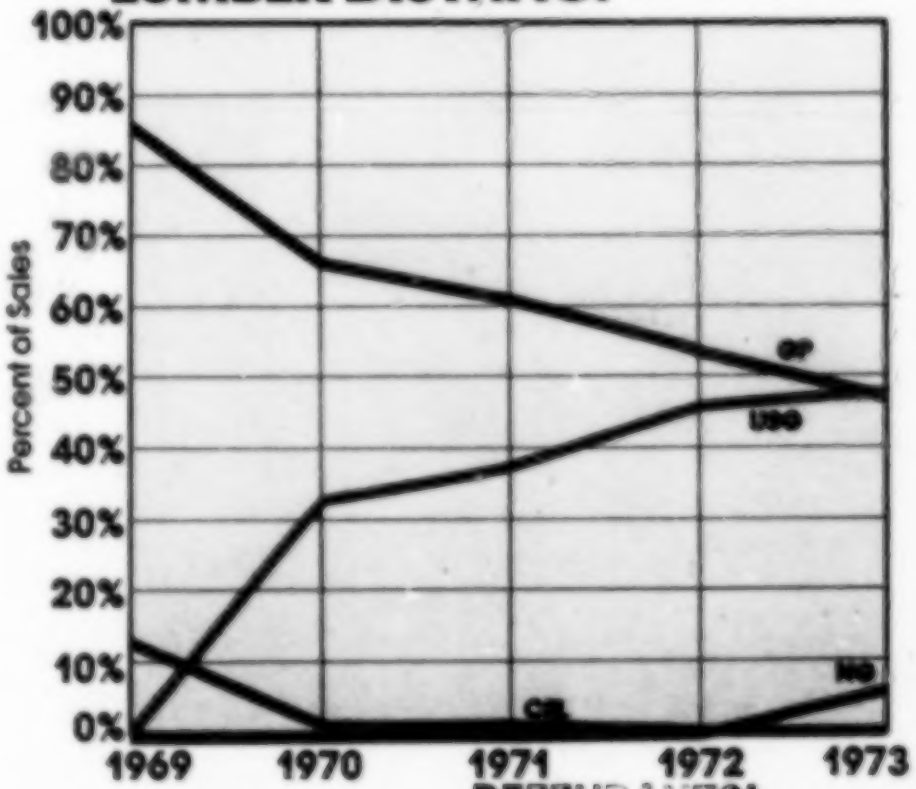
DEFENDANTS'
JOINT EXHIBIT 65

Gypsum Board Sales to Large Customer 1969 - 1973 LOWES

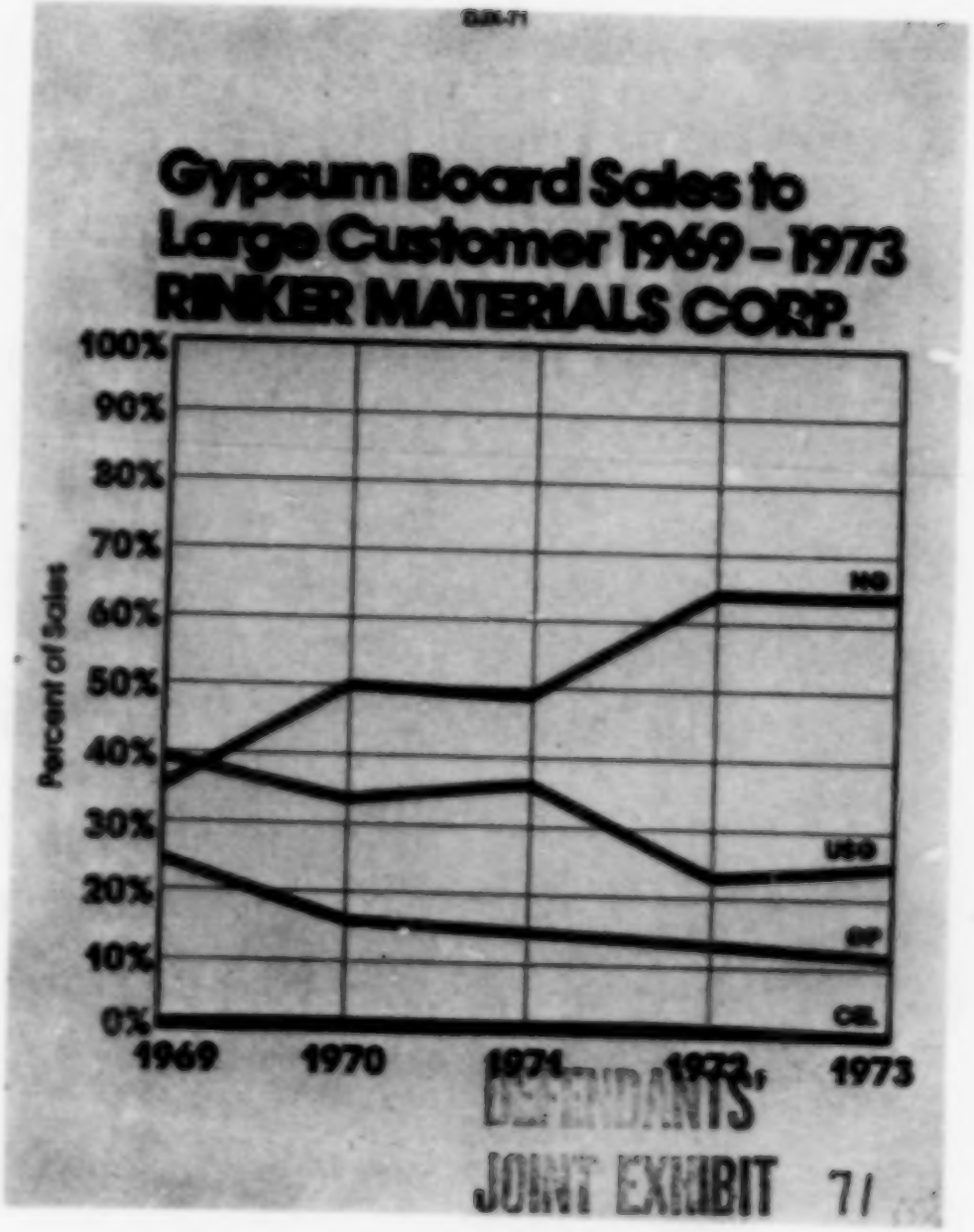


DEFENDANTS' JOINT EXHIBIT 67

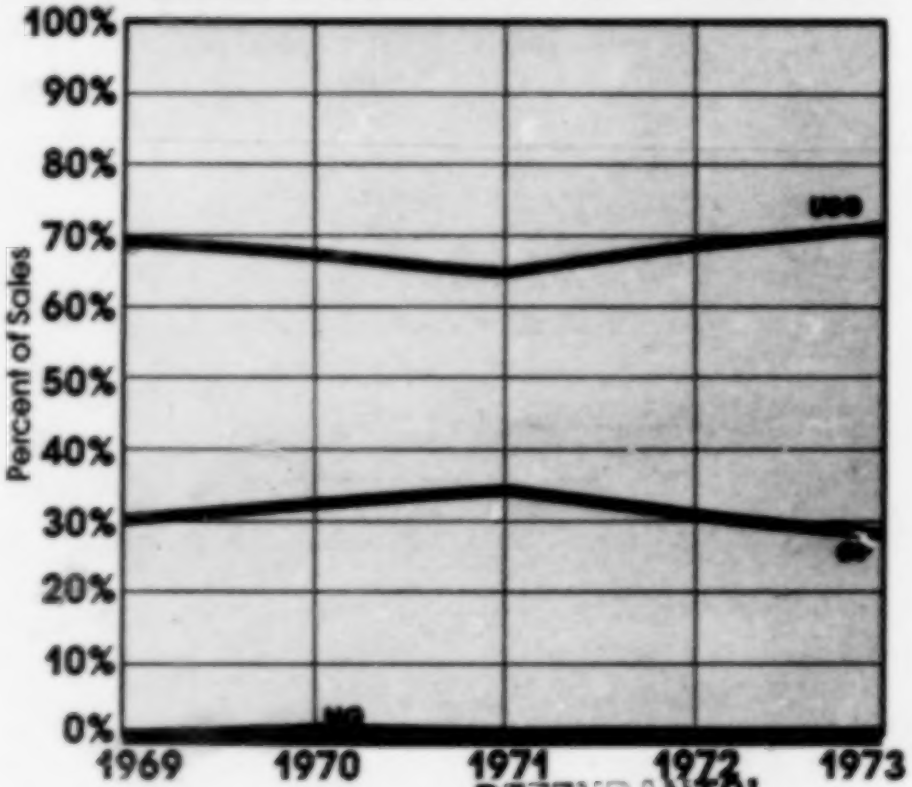
Gypsum Board Sales to Large Customer 1969 – 1973 LUMBER DIST. INC.



DEFENDANTS'
JOINT EXHIBIT 69


Gypsum Board Sales to
Large Customer 1969 – 1973
RINKER MATERIALS CORP.
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
Percent of Sales
1969
1970
1973
RMC
USG
GP
CSR
DEFENDANTS
JOINT EXHIBIT 71

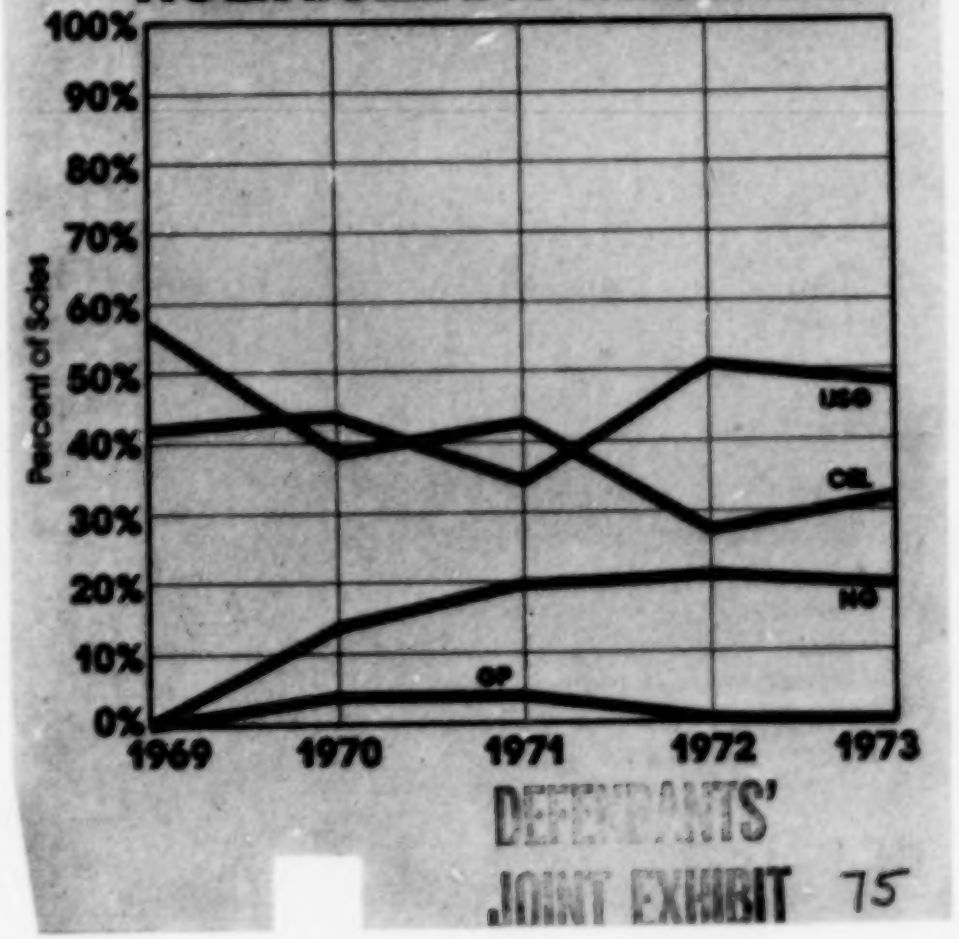
Gypsum Board Sales to Large Customer 1969 – 1973 ROSELLE BUILDING MATERIALS



DEFENDANTS'
JOINT EXHIBIT 73

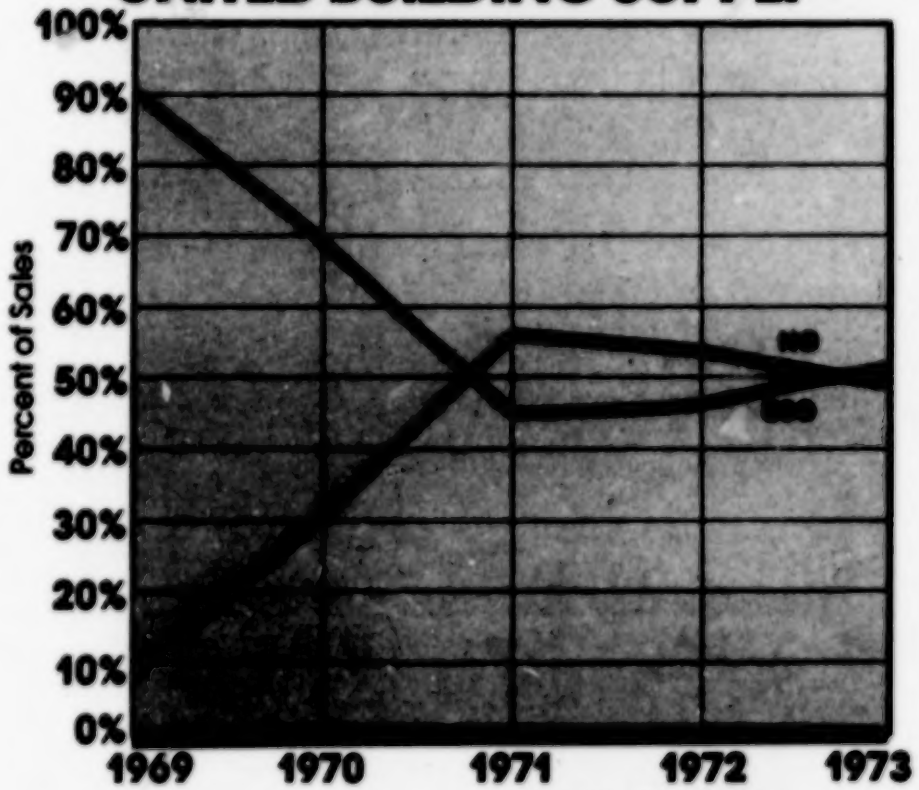
DJX-75

Gypsum Board Sales to Large Customer 1969 – 1973
TIGER BUILDING MATERIALS



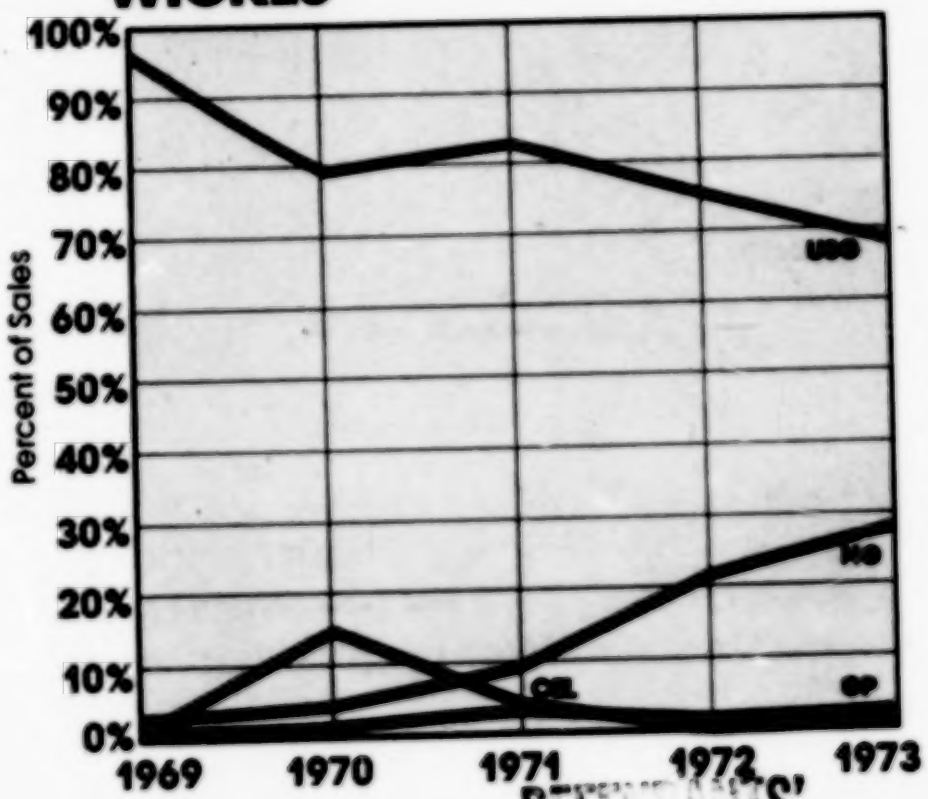
DEFENDANTS'
JOINT EXHIBIT 75

Gypsum Board Sales to Large Customer 1969 – 1973
UNITED BUILDING SUPPLY



DEFENDANTS'
JOINT EXHIBIT 11

Gypsum Board Sales to Large Customer 1969 - 1973 WICKES



DEFENDANTS'
JOINT EXHIBIT 79

3479

Supreme Court of the United States

No. 76-1560

United States,

Petitioner,

v.

United States Gypsum Company, et al.

ORDER ALLOWING CERTIORARI. Filed October 3 , 1977

The petition herein for a writ of certiorari to the United States Court of Appeals for the Third ----------Circuit is granted.

Mr. Justice Blackmun took no part in the consideration or decision of this petition.

250-346 4850